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CHINA ENTERS THE POST-MAO ERA

A REPORT

BY

SENATOR MIKE MANSFIELD
MAJORITY LEADER
U.S. SENATE

TO THE

COMMITTEE ON FOREIGN RELATIONS
UNITED STATES SENATE

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LETTER OF TRANSMITTAL

NOVEMBER 18, 1976.

Hon. JOHN SPARKMAN,
Chairman, Committee on Foreign Relations,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: With the Committee's approval, and the support of President Ford and Secretary of State Kissinger, I visited the People's Republic of China from September 21, 1976, through October 12, 1976, as a guest of the Chinese People's Institute of Foreign Affairs. Transmitted herewith is a report of that trip. A confidential report was submitted to President Ford when I met with him on November 5th.

This visit was my sixth to China; it was the third since the new relationship was begun by President Nixon in 1972. A span of half-a-century between the first and the most recent provides a basis for perspective.

While in China in late September and early October, I had the opportunity to travel widely, covering some 9,000 miles by plane, train, car, and boat. Through the courtesy of my Chinese hosts, I was privileged to enter areas in China not visited since 1949 by Americans, such as certain localities in the Xinjiang (Sinkiang) Region, and other places not visited by any official American group as, for example, parts of Jiangsu (Kiangsu) and Guangdong (Kwangtung) Provinces. The Chinese people were warm and gracious in their hospitality, anxious to accommodate and to display local accomplishments.

China is a vast, underdeveloped, resource-rich land of industrious and talented people who comprise some one-fourth the population of the globe. Chinese influence on the rest of the world, already substantial, will increase greatly in the decades ahead. It is essential that U.S. policy be shaped to that reality. I know of no greater service that I could render to the American people in the time remaining in my third of a century of service in the Congress than to contribute to bringing about better understanding of the People's Republic of China and a normalization of relations with that nation.

I was accompanied on the trip by Senator John Glenn and his wife, Anna, both of whom contributed greatly to the mission. I wish to express my appreciation to the Department of State in Washington and in the field for assistance in arrangements throughout the course of the trip; the Department of the Air Force for transportation to and from China; Deputy Assistant Secretary of State Victor Dikeos for his efficient handling of logistics and other details during the trip; my assistant Mrs. Salpee Sahagian and Senator Glenn's secretary, Miss Kathy Prosser, for their able and willing help at all times; Dr. Thomas Lowe of the Navy Medical Corps for his services and his

assistance in studying the Chinese system of health care; Mr. Francis R. Valeo, Secretary of the Senate, Mr. Charles R. Gellner, Senior Specialist in Foreign Affairs of the Congressional Research Service, Library of Congress, and Mr. Norvill Jones of the staff of the Committee on Foreign Relations, for their assistance.

To Madame Kang Tai-sha, Mr. Cheng Wan-chen, Mr. Fan Kuo-hsiang, Miss Tsung Chun, Mrs. Ku Yi-jen, and Mr. Yung, of the People's Institute of Foreign Affairs who accompanied my group during its travels in China, go my special thanks. Their great kindness, warmth, and good humor typify the people of China.

I also wish to express special appreciation to my wife, Maureen, for her usual helpful advice and good cheer throughout the trip.

Sincerely,

MIKE MANSFIELD.

Letter From President Ford

The White House,
Washington, July 30, 1976.

Hon. Mike Mansfield,
U.S. Senate,
Washington, D.C.

Dear Mike: One of the most helpful aspects of the resumption of friendly contact with the People's Republic of China has been the close collaboration between the Executive Branch and the Congress and the complete bipartisanship which has characterized the undertaking. As Majority Leader of the Senate, you and the Minority Leader have been principal participants in this process from the outset.

It has been almost two years since your last visit to the People's Republic of China, and I am pleased to hear that you have again been invited to visit that country. Your trip will provide a renewed demonstration of the bipartisan support in Congress for our policy of improving Sino-American relations. Of equal significance is the fact that you will be the first Member of Congress to make three trips to the People's Republic. This background makes you an unusually qualified observer, and I would find it most useful to receive another report from you containing your latest impression of developments in the People's Republic of China and your recommendations concerning those policies which you feel may be most appropriate at this time.

The Departments of the Executive Branch will, of course, be pleased to assist you in every appropriate way in connection with your visit.

Sincerely,

Gerald R. Ford.

CHINA ENTERS THE POST-MAO ERA

I. Introduction

I returned to China on September 21, 1976 for the sixth time while the nation was still in deep mourning over the death, on September 9, of Chairman Mao Tse-tung. For three weeks, I travelled approximately 9,000 miles within the country, by plane, train, car and boat.[1] While there I had an opportunity to talk to many Chinese leaders on the commune and factory and the national level. I had extensive discussions on foreign affairs and other matters with Vice Premier Li Hsien-nien, Vice Minister of Foreign Affairs Wang Hai-jung, T'ang Wen-sheng, Deputy Director of the American and Oceanian Affairs Department of the Ministry of Foreign Affairs, Dr. Chou Pei-yuan, Vice Chairman of the People's Institute of Foreign Affairs, and, at the provincial level, with Mr. Ismayil Aymat, Vice Chairman of the Xinjiang (Sinkiang)[2] Region's Revolutionary Committee and Mr. Feng Kuo-chu, Vice Chairman of the Shanghai Municipal Revolutionary Committee.

The Year of the Dragon has been a year of upheaval for China. Both its landscape and the political scene were shaken by earthquakes. The year 1976 witnessed the death of three giants of the Chinese Revolution, all comrades on the Long March, Premier Chou En-lai, Marshall Chu Teh, and the architect of the new China, Chairman Mao Tse-tung. It saw also the cashiering of Vice Premier Teng Hsiao-peng, the rise from obscurity of Hua Kuo-feng, Mao's successor as party chairman, and the denunciation of a number of leaders of the party. Once more political events in China have surprised the outside experts.

Although the official mourning period for Chairman Mao ended on September 18, widespread unofficial mourning continued until October 1, China's national day, and beyond in some areas. From Peking to the rural areas of remote Xinjiang (Sinkiang) Region, the manifestations of loss were everywhere. In city and countryside, hundreds of millions of black armbands were worn during the mourning period. Factories, stores, schools, commune gates—practically every public facility—bore posters expressing grief at his passing. Crepe paper symbols of mourning adorned trucks, tractors, animals and carts. Never have I seen such widespread public manifestations at the death of a political figure. The personal loss obviously felt by so many was illustrated by the reaction of a veteran interpreter accompanying our group whose voice broke on a number of occasions when translating comments concerning Mao's passing. Wherever our group went, from fac-

[1] See Appendix A for a chronology and map of the visit.
[2] Throughout this report the official Chinest spelling of place names is used, followed in parentheses, if necessary for clarity, by the spelling commonly used in the West.

tory, commune and national leaders, we heard the refrain: "We shall turn grief into strength."

Throughout my stay, I saw no manifestations of civic unrest or political disorder, although there appeared to be more military personnel on the streets of Beijing (Peking) than had been the case in 1974. While I was in China, it was made known that Premier Hua Kuo-feng had been selected to succeed Mao as Chairman of the Central Committee of the Chinese Communist Party and as Chairman of the Military Commission which controls the armed forces. During the days prior to my departure from the country, wall posters appeared calling for public support of the party's decision.

Both when I left Washington and as I emerged from China the news media were engaged in another round of speculation about political maneuverings within the Chinese leadership. In the report to the Senate following my 1974 visit to China, I said:

> The constant speculation over what will happen in China after Chairman Mao Tse-tung retires from the scene, in my opinion, is largely an exercise in irrelevance. It ignores the depth and the reality of the revolutionary changes which have taken place in China during the last quarter century. Mao is esteemed almost to the point of reverence because he has pointed the way and his leadership has restored China's self-confidence. Mao's precepts can be expected to guide China's destiny for a long time to come. "Serve the people" and "self-reliance" are more than slogans, they are the guideposts of Chinese society for the present and future.[3]

It is highly unlikely that, for the foreseeable future, it will make any significant difference who controls China insofar as United States-China relations are concerned. "If we are to carry on the great cause of Chairman Mao," one high Chinese official said to me, "it means our internal and foreign policy will not change." The Mao legacy is large and no Chinese political figure will be able to stray far from the broad outlines of his policies, at home or abroad. The decision to build a memorial hall in Peking in which Mao's body will be enshrined will aid in perpetuating that legacy.

What is important to the American people about China is not the makeup of its leadership or who is on the way up or down. The significance of China's political scene is that the system Chairman Mao created for China is working. It is bringing about rapid advances throughout the land. It has harnessed the talents of 800 to 950 million people as never before in China's history to achieve common goals. These are the realities which carry great meaning for American foreign policy and the future course of the world.

I returned to the new China for this third visit in an effort to gain a deeper understanding of the meaning of the changes taking place in China. As the first American official to meet with Chinese leaders following Chairman Mao's death, I was there at a significant time for the course of American policy toward China in the months and years ahead. I came away with a strengthened conviction that America can and should come to terms with the realities of China without delay.

[3] "China: A Quarter Century After the Founding of the People's Republic," Report to the Senate Committee on Foreign Relations, January 1975, p. 1. See Appendix G.

II. The State of U.S.-China Relations

"What is past is prologue" and a comprehension of the State of U.S.-China relations today requires an understanding of the past.

American images of China have fluctuated and shifted over the years. In a 1968 speech at the University of Montana, I said:

> There has been the image of the China of Marco Polo, Pearl Buck, Charlie Chan, and heroic resistance to the Japanese during World War II.
>
> On the other hand there has been the image of the China of cruelty, barbarism, violence, and faceless hordes. This is the China of drumhead trials, summary executions, Fu Manchu, and the Boxer Rebellion—the China that is summed up by the phrase "yellow peril."

These images of China have alternated until today. Since the beginning of United States contact with China two centuries ago, Americans feelings have been ambivalent. Generations of missionaries, traders, teachers, and travelers have created strong sentimental attachments to China which, on the one hand, provide a reservoir of goodwill and respect and, on the other, an attitude of superiority toward the Chinese. Paternalism has been the hallmark of American experience in China. Most Americans did not go to China to listen and learn but to preach, teach, and trade. They were the superiors, the Chinese the inferiors. Humanitarianism was mixed with a heavy blend of bigotry and greed.

Missionaries, not traders, did the most to shape American attitudes, toward China. It has been estimated that in 1925 there were 5,000 American missionaries in China. Their influence went far beyond their numbers, holding as they did key positions for the spread of western ideas and culture throughout the land. For decades until World War II, the pulpits of churches across America rang each Sunday with pleas for funds to feed, clothe, and save the souls of hundreds of millions of the "heathen" in China.

In the aftermath of World War II, admiration and affection turned to disappointment as the forces led by Chiang Kai-shek and Mao Tse-tung resumed the civil war. American disappointment became hostility when the U.S.-supported Kuomintang armies were forced to retreat to the island of Taiwan in 1949. One consequence of this defeat was the poisoning of the American political system. A bitter personal debate began and lasted for years on the question: "Who lost China?" The ramifications were such that it resulted in a policy based on an official view that saw China as an aggressive, Soviet-dominated and directed giant posing a clear and present danger to its Asian neighbors. Secretary of State Dean Acheson, in releasing the Department of State's White Paper, said:

"The Communist leaders have foresworn their Chinese heritage and have publicly announced their subservience to a foreign power, Russia,...[4]

As late as 1960, in a television debate with John F. Kennedy, the then Vice President Nixon described the threat from China this way:

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[4] Letter of transmittal from Secretary of State Acheson to President Truman, "United States Relations with China," Government Printing Office, 1949, p. XVI.

> Now what do the Chinese Communists want?
> They don't want just Quemoy and Matsu. They don't want just Formosa. They want the world.[5]

This distorted and mistaken view of China led directly to the McCarthy era which after a quarter of a century still afflicts American foreign policy. United States relations with China today are on a plateau, reached more than three years ago with the opening of diplomatic liaison offices in Peking and Washington. President Ford has repeatedly stated that the United States is determined "to complete the normalization of relations with the People's Republic of China on the basis of the Shanghai Communique," [6] However, steps to do so have been taken with great reluctance. In my judgment, there has been a policy of avoidance. With the principal antagonists in the Chinese civil war now gone, it would seem to be a most propitious time to wipe the slate clean, to fulfill the promise of the Shanghai Communique by completing the process of normalizing relations with the People's Republic of China.

A. TAIWAN: UNTYING THE GORDIAN KNOT

"Those who cannot remember the past are condemned to repeat it," George Santayana wrote. That is especially pertinent to the position in which the United States finds itself concerning the normalization of relations with the People's Republic of China. An understanding of how United States policy came to be what it is today is essential to finding a solution to the current problem. There is only one obstacle to normalization. It derives from the events of 1949 when the forces led by Mao Tse-tung drove Chiang Kai-shek from the Mainland to the offshore island of Taiwan.[7] In the final years of that civil war the United States poured $2 billion of aid into a doomed cause. It was an intervention in China's civil war and it persists today through continuing U.S. recognition of the Republic of China on Taiwan, through the furnishing of that government with military advice and arms, through the conduct of joint maneuvers with its armed forces, and through many ties between America and the Nationalist government which are designed to preserve Taiwan as an entity separate from the Chinese mainland.

President Truman announced in early 1950 that the United States would "not provide military aid or advice to Chinese forces on Formosa" or "pursue a course which will lead to involvement in the civil conflict in China." [8] That policy was reversed six months later, following the outbreak of war in Korea, when President Truman ordered the U.S. Seventh Fleet to prevent a Chinese Communist attack on Taiwan and to stop Nationalist attacks against the Mainland. Intervention by Chinese forces in Korea in November locked in American support of the Nationalist regime. In his 1953 inaugural address President Eisenhower "unleashed" Chiang Kai-shek's forces, stating

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[5] Television debate with John F. Kennedy, October 10, 1960.
[6] Speech at the University of Hawaii, Honolulu, Hawaii, December 7, 1975. See also President Ford's letters of April 11, 1975 and September 9, 1976, congratulating Hua Kuo-feng on his being named Premier of the People s Republic of China and of condolences on the death of Mao Tse-tung, respectively.
[7] Called Formosa by the Japanese who governed the island from 1895–1945 after being ceded the island in the Treaty of Shimonoseki which ended the Sino-Japanese war.
[8] Press Conference, January 5, 1950.

that the U.S. Seventh Fleet would no longer be "employed to shield Communist China." [9] Shortly thereafter the Nationalists began heavy fortification of Quemoy, Matsu, and the Tachens, small islands which lie several miles off the Chinese Mainland.

In early 1955 forces of the People's Republic seized a small Nationalist held island near the Tachen group and began a bombardment of the Tachens. This action led President Eisenhower to ask Congress to approve the Formosa Resolution, which, in effect, was a blank check for the President to wage war to defend Formosa, the Pescadores, and other islands then in Nationalists hands. Secretary Dulles, in presenting the Eisenhower Administration's case to a joint session of the Senate Foreign Relations and Armed Services Committees, stressed that the defense of Formosa was important to the security of the United States and denied any intention to intervene in China's continuing civil war.

> We say that the Island of Formosa and the Pescadores is an area which is vital to the interests of the United States, and that we are going to do what we can to see that it remains in friendly hands. If we were not there, if there was no other interest in this situation except that of two Chinese regimes, probably it would be considered to be purely a civil war.
>
> It does concern far more than them. It concerns the United States, and once we are in the situation, then these legal things that the two Chinese regimes argue about become quite unimportant. . . .[10]

As presented by Dulles, the alternatives to defending Formosa by risking war with China was that ". . . . we will be driven out of this whole Asian area and will fall back to the United States. That is the choice we have got to face." [11] The blank check resolution presented by the Eisenhower Administration and supported by the Joint Chiefs of Staff as essential to protection of America's vital interests, passed both Houses of Congress by overwhelming margins. It was not until 1974, that the resoution was repealed by Congress.

Two weeks after passage of the Formosa Resolution the Senate approved a treaty with the Nationalist government pledging the United States to defend Formosa and the Pescadores, after being presented with the same national security rationale used to obtain approval of the resolution. Secretary Dulles, testifying for the treaty in executive session before the Foreign Relations Committee painted a bleak picture of what would happen if the treaty were not approved. "If we," he said to the Committee, "allow that island chain to be broken through the Communists taking Formosa, in my opinion, the entire island chain will inevitably go. Japan will surely be lost, you will have a combination of power there of Russia, China and Japan, which will be more, a far more, serious threat than anything we have ever envisaged in that part of the world before, and our own defensive position will have to be pulled back very close to the Pacific mainland." [12]

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[9] State of the Union Address to Congress, February 2, 1953.
[10] Unpublished hearings before a joint meeting of the Senate Committee on Foreign Relations and Armed Services, January 24, 1955, pp. 68–69.
[11] Ibid, p. 138.
[12] Unpublished hearing before the Senate Committee on Foreign Relations, February 7, 1955, p. 45.

The Committee's report on the treaty adopted the national security rationale pressed by the Eisenhower Administration, stating that the treaty ". . . does no more than formalize a policy which our government has followed for several years, to maintain Formosa as an essential anchor of our western defense chain." [13]

Time has proven that the justification presented to Congress for the defense treaty with the Nationalist regime was based on a distorted view not only of America's long-range interests in the Far East but also of the nature of the People's Republic of China. America's security was not involved in the future of Taiwan. The specter of political consequences at home, not military probabilities abroad, were the prime factors in distorting United States policy toward the Chinese civil war and in subsequently consolidating the distortions.

Concerning the Taiwan question, the Shanghai Communique stated:

> The Chinese side reaffirmed its position: The Taiwan question is the crucial question obstructing the normalization of relations between China and the United States; the Government of the People's Republic of China is the sole legal government of China; Taiwan is a province of China which has long been returned to the motherland; the liberation of Taiwan is China's internal affair in which no other country has the right to interfere; and all U.S. forces and military installations must be withdrawn from Taiwan. The Chinese Government firmly opposes any activities which aim at the creation of "one China, one Taiwan," "one China, two governments," "two Chinas," an "independent Taiwan" or advocate that "the status of Taiwan remains to be determined."
>
> The U.S. side declared: *The United States acknowledges that all Chinese on either side of the Taiwan Strait maintain there is but one China and that Taiwan is part of China. The United States Government does not challenge that position.* It reaffirms its interest in a peaceful settlement of the Taiwan question by the Chinese themselves. With this prospect in mind, it affirms the ultimate objective of the withdrawal of all U.S. forces and military installations from Taiwan. In the meantime, it will progressively reduce its forces and military installations on Taiwan as the tension in the area diminishes." (Italics supplied).[14]

Although the number of U.S. military personnel has been reduced substantially since 1972, there are still some 2,000 American servicemen stationed on Taiwan, including a military advisory group. Only this year the remaining U.S. military advisors were withdrawn from Quemoy and Matsu, islands not covered by the security treaty. The Indochina war, the "tension in the area," to which the language in the Shanghai Communique referred, is long since over. The bulk of the remaining American forces on Taiwan are engaged in activities which, if Americans put themselves in Chinese shoes, would be considered intolerable, since the activities are carried out on China's territory.

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[13] Senate Executive Report 2, 84th Congress, 1st Session, February 8, 1955.

[14] Weekly Compilation of Presidential Documents, February 28, 1972, p. 475. The communique is reprinted on pp. 39–41 of appendix G.

United States military involvement with the Nationalist government through the supply of military equipment has accelerated since 1972, not lessened. By the end of the current fiscal year a total of some $1.1 billion in military equipment and materials will have been provided by the U.S. to the government on Taiwan since the Shanghai Communique was issued, $378 million of that on a grant or credit basis. Additional military sales of several hundred millions of dollars are being planned for the 1978 fiscal year.

Official stimulus to economic ties continues. It is "business as usual" with U.S. private investments still flowing in, many protected by U.S. government guarantees through the Overseas Development Investment Corporation. Authorizations of direct loans and guarantees by the U.S. Export-Import Bank to finance sales to Taiwan totaled $1.24 billion in the 1972–75 period. United States firms are engaged in a major program which will make Taiwan dependent on nuclear power for half of its energy requirements by the early 1980's. No government agency has received new policy directions concerning the adjustment of U.S. relations with Taiwan in the light of the Shanghai Communique.

China's position on Taiwan is the same as it has been since the signing of the Shanghai Communique. It expects the United States to sever diplomatic relations with Taiwan, terminate the defense treaty, and withdraw all military forces from the island. "Any one principle missing won't do", a Chinese official said to me.

The Chinese refer to the application of the so-called Japanese-formula as a basis for full implementation of the Shanghai Communique. Since 1972, when it severed relations with Taiwan and established diplomatic relations with Peking, Japan's trade with and investments in Taiwan continue at high levels. Japanese affairs relating to the island are looked after by a quasi-official office called the Japanese Interchange Association. Taiwan maintains a similar non-diplomatic office in Tokyo. Other countries having diplomatic relations with China operate in Taiwan under similar arrangements. So could, apparently, United States private economic and cultural ties with Taiwan. There is no give, however, on the principle which the Chinese see involved: Taiwan is a part of China and when and how it will be absorbed into the life of the mainland is an internal affair. "They deal in principle, gentlemen", one thoughtful American in Peking observed. The first message issued by the Chinese Communist Party and other leadership organs after Chairman Mao's death reiterated the principle: "We are determined to liberate Taiwan."

The answer to the Taiwan problem is not to be found in Peking but in Washington. It is a domestic problem for the United States. "If this issue is not resolved and is prolonged, the responsibility is not on our side but on yours," said one Chinese official. Another added: "The one who ties a knot must untie it."

In the public report of my 1974 trip to China I said:

> The fact that must be faced is that we cannot have it both ways. We cannot strengthen our ties with a claimant government of China on Taiwan and, at the same time, expect to advance a new relationship with the government of the People's Republic of China. The Shanghai Communique was

designed as a transitional arrangement; it did not predicate an indefinite ambivalence in our China policy.[15]

Much of the ambiquity concerning the Taiwan problem seems to stem from the hope that with sufficient delay, the problem will go away. A device in this connection, is the insistence that China renounce the use of force in regard to Taiwan. As far back as 1955, China was prepared to agree to a joint statement renouncing the *general* use of force to settle disputes with the U.S. but would not renounce its use specifically against Taiwan.[16] To appreciate what is involved in the renounciation of force question, the issue should be examined from the Chinese perspective. As the Chinese see it, Taiwan is an integral part of China and, under the Shanghai Communique, the United States does not dispute this contention. While there is no reason to assume that the final withdrawal of U.S. forces will lead to the use of force against Taiwan by the mainland, there is also no reason to expect China to formally renounce its possible use against what it regards as a Chinese province. Indeed to do so would be to cast a doubt on the validity of its claim to sovereignty over the island.

Taiwan is a point of utmost sensitivity in China's new national consciousness. Together with certain border areas along the frontier with the Soviet Union it is the last vestige of China's humiliation at the hands of outside powers. Equivocation over the Taiwan problem has continued far too long. Ambivalence has created a dangerous situation and further delay could bring about serious long-term consequences for American policy in the Pacific area. For more than six years we pursued a war in Indochina in the name of an illusive, undefined "peace with honor," a quest which resulted in tragic losses of American and other lives. Now there are signs that the same chimera is creating a similar situation concerning the resolution of the Taiwan problem. Delay has created new pressures for retention of the status quo, even in Japan. References are made to an "easy-way out" of a "two-Germany's" formula.

Stagnation is the enemy of a sound, constructive foreign policy, and indecision in policy-making about Taiwan is providing political impetus for pushing citizens into choosing sides. There is a strong hint of a resurgence of the divisiveness of a quarter century ago that led to the current policy dilemma. The internal problems of China in the wake of Mao's departure could create conditions in both countries where the mutual interests now sustaining the relationship will be weakened. The delay, for example, may well strengthen the hand of the elements in the Chinese leadership seeking to restore greater comity with the Soviet Union even at the expense of the U.S. relationship. The failure to face up to the Taiwan issue will only make the inevitable decision more difficult, controversial, and divisive.

It should be borne in mind that if full diplomatic relations are established with the People's Republic of China, the treaty with the Republic of China will fall. There can hardly be a continuance of a defense treaty with one faction in a civil war while formal relations are maintained with the successor. When Japan recognized the People's Republic of China in 1972, its treaty of friendship with

[15] "China: A Quarter Century After the Founding of the People's Republic", report to the Senate Committee on Foreign Relations, January 1975, p. 23. See Appendix G.

[16] See Appendix C for the texts of the series of proposals and counterproposals during these negotiations.

Taiwan automatically lapsed. So will the U.S.-Taiwan security treaty. It has been urged that the treaty issue be handled by serving one-year notice of our intention to terminate the treaty, a right reserved to each under article X. This course would only further confuse the principle at issue. If Taiwan is a part of China, as the concerned parties now agree, serving a one-year notice to terminate the treaty means only additional delay in reconciling our official diplomatic posture and our national policy.

There is also the argument that for the United States to disengage from a military commitment to the Republic of China will suggest a weakening of American resolve about other defense obligations abroad. Unless the national interest controls foreign policy rather than vice-versa, this nation will be placed in an increasingly soffocating straight jacket with the ratification of every treaty. Treaties are not forever. They are national commitments subject to adjustment in the light of changing international realities and clearer perception of the national interest. The treaty was based in great part on U.S. security needs against a Moscow-directed axis with Peking, which is now seen to be a distortion. Moreover, the government of Taiwan claims to represent the people on the mainland, but it does not. It has ruled the island of Taiwan by martial law since 1949 in order to continue the trappings of a government for the entire Chinese mainland. Only 86 of the 1,288 seats in the National Assembly of the Republic of China and 49 of the 436 seats in the Legislative Yuan are held by the Taiwanese.

Some observors warn that Taiwan may either declare its independence or turn to the Soviet Union if the United States severs its treaty relationship. These arguments ignore the fact that Taiwan's lifeblood, until it is absorbed into the economy of the Mainland at some time in the distant future, is continued trade with the United States and Japan. These are not realistic alternatives for Taiwan but in any event were some such improbable situation to develop, it would be a Chinese problem and not one for this nation.

Although it is unrealistic to expect that the Chinese government will renounce the use of force to regain control of Taiwan, there is reason to expect that the Chinese will not rush the process of absorbing Taiwan into the life of the mainland after the normalization of relations between China and the United States has been accomplished. As the Chinese see the problem, acceptance of the principle at stake and the practical incorporation of Taiwan into the People's Republic are two different matters. The Chinese are impatient with regard to unequivocal acceptance of the principle, which stands in the way of complete normalization of relations, a process initiated by the Shanghai communique. "I think we have been patient enough," one official put it, "we have waited for more than twenty-seven years now." Even impatience over principle, however, can be tempered by priorities. International "issues," for example, meaning largely problems concerning the Soviet Union, receive first attention. Insofar as Taiwan is concerned, timing does not appear to be a pressing problem. While the process of absorption is regarded as inevitable it may well take many years.

On the basis of my conversations in China, I believe that satisfactory arrangements can be worked out concerning the handling of our

residual relations with Taiwan, as has been the case with Japan and other countries, which will safeguard legitimate interests of U.S. citizens in that island. Moreover, I am persuaded that the Chinese know full well that any unprovoked military action in the Western Pacific would be a seriously unsettling event in Asia which could set off grave repercussions in the United States and Japan, to say the least. It would undermine a basic element in present Chinese foreign policy toward the Soviet Union. The peaceful merging of Taiwan with the mainland, therefore, would seem to be the implicit practical element in working out diplomatic arrangements between the People's Republic and the United States.

Congressional action may be necessary to arrange for continuation of trade and related ties to Taiwan to accord with a U.S. version of the "Japanese formula". In the spirit of bi-partisanship which has marked support of U.S. China policy since the Shanghai Communique, Congress should be prepared to take such action, as the Senate did in 1971 in approving S. Con. Res. 38 giving ". . . . full support to the President (Nixon) in seeking the normalization of relations with the People's Republic of China." [17]

It is important that a dialogue begin without delay between the People's Republic and Taiwan. The Shanghai Communique states that America's goal is "a peaceful settlement of the Taiwan question by the Chinese themselves." Leaders of the People's Republic have repeatedly expressed their willingness to engage in peaceful relations with Taiwan and have made gestures to underscore the point. United States policy should do nothing to discourage the Taiwan government from responding in kind.

All of the NATO allies, not to speak of dozens of other nations including Japan, have recognized the reality that the People's Republic is the rightful sovereign of all China, at no loss of their prestige in the world. One wonders which among them would label as an "abandonment", a U.S. policy of the same kind. There is not likely to be official collaboration with China on matters involving stability in the Pacific, disarmament, or other major world issues as long as the present state of affairs exists. The world applauded Nixon's trip to Peking. Whether or not it applauds the completion of the journey he started, it is essential in this nation's interest, in my judgment, that we move promptly in that direction.

B. TRADE AND EXCHANGES

Despite the absence of formal diplomatic relations, trade and personal contacts between the United States and China continue at a nominal level. Through these media the two nations are getting to know one another after a gap in contact of more than two decades. China has neither opened its doors to consumer oriented trade nor to the entry of the countless Americans who are fascinated by the ancient myth of a mysterious Cathay. China's principle of self-reliance negates the former and a traditional disinterest in the outside world plus the absence of extensive tourist facilities does the same for the latter. The early expectations of many Americans of a new market of more than

[17] S. Con. Res. 38, 92nd Congress, 1st Session, passed the Senate by voice vote on August 2, 1971.

800–950 million customers and an exciting new international tourist attraction have now subsided to a more realistic understanding of the situation.

1. Trade

United States trade with China has plunged from the high level of $934 million in 1974, when China bought large amounts of American grain, soybeans, and cotton, to $462 million in 1975. The lop-sided seven-to-one balance in the United States' favor was reduced to a more reasonable ratio of less than two-to-one. Trade in 1976 will total about $400 million, with U.S. exports at $220 million and imports from China of $180 million. Data concerning bilateral trade for 1971–1976 are shown in the table below:

UNITED STATES-PEOPLE'S REPUBLIC OF CHINA TRADE 1971–76

[In millions of dollars]

	U.S. imports	U.S. exports	Total
Calendar year–			
1971	4.9	(1)	4.9
1972	32.3	60.2	92.5
1973	63.7	689.1	752.8
1974	115.0	819.0	934.0
1975	158.3	303.8	462.1
1976 (January–June)	89.6	119.6	
1976 (total estimate)	180.0	220.0	400.0

[1] Nil.

Since 1974 there has been a significant change in the composition of U.S. exports to China. With the exception of cotton, China did not buy any appreciable quantities of American farm products in 1975 or thus far in 1976, reflecting the improved state of Chinese agriculture which has built up sizable grain reserves. For such imports as it requires, moreover, China has returned to reliance on traditional import suppliers, Australia, Canada and Argentina. The value of U.S. agricultural exports to the People's Republic dropped from $665 million in 1974 to $79 million in 1975. In 1975, 60 percent of U.S. exports were manufactured goods and technology, the range running the gamut of American industry with primary emphasis on high technology items and data.

U.S. imports of Chinese goods have increased steadily, but not spectacularly, from $5 million in 1971 to an estimated $180 million this year. Last year tin was the major import, making up nearly 30 percent of the total value. A great variety of goods have come into the United States, many in small quantities. Chinoiserie, apparently, holds the public fancy.

American businessmen and Chinese traders are fast learning each other's needs and problems. The prospect is for a steady, but unspectacular increase in trade, unless political relations again sour. Two lesser difficulties, the claims-asset problem and the lack of most-favored-nation treatment for Chinese goods, impede normalization of trade relations. No progress has been made on either since my 1974 visit to China.

During the Korean war $76.5 million in Chinese assets in the United States, primarily bank deposits, were frozen by U.S. Government ac-

tion. On the other hand, the Foreign Claims Settlement Commission has on file claims totaling $196.9 million by U.S. citizens against China. The majority are for small amounts, only nine are for more than $1 million. As long as this dispute continues direct banking, shipping, or any other activity which would result in Chinese-owned assets being present in the United States are not feasible. Any Chinese property in the United States, including ships, planes, or even a trade exhibit, is subject to being attached by a claimant against the country. The ten Boeing 707s sold to China cannot land at a U.S. airport, and China flag vessels cannot call at our ports to pick up goods American exporters have sold to the country. All financing of trade transactions have to be carried out through branches of third country banks in the United States. Another serious immediate consequence is that there cannot be an exchange of trade exhibits, which handicaps trade in both directions.

China's goods are not extended most-favored-nation tariff treatment by the United States. "Most-favored-nation" is a misnomer. It is not a favor; it is the normal basis of trade between nations of the world. Of the many nations with which this nation carried on trade last year only 15 did not receive this type of tariff treatment. Under the 1974 Trade Act, most-favored-nation treatment can now be accorded to China as well as certain other Communist countries, after a bilateral trade agreement is concluded and various conditions are met, including approval of the trade agreements by Congress. As long as this discrimination against China exists, importers must pay about four or five times the duties on Chinese imports that would apply to goods brought in from most other nations. It has been estimated that if Chinese goods received MFN treatment, imports from China would increase by as much as twenty percent. A basic trade agreement, moreover, would cover matters such as arrangements for settling disputes, patent and trademark protection, and trade promotion activities.

Agreement in principle was reached on the claims assets problem in 1973, but that question has not been pursued nor do the Chinese appear interested in moving forward on a trade agreement until the matter of diplomatic status has been settled.

2. Exchanges

The mutual learning process through exchanges of persons is proceeding satisfactorily although, as with trade, the balance is in the United States' favor. Approximately 12,000 Americans have visited China since the Shanghai Communique but as of November 1976 only 932 Chinese have come to the United States. Of the Americans going to China, only about five percent went through government facilitated exchanges, which, except for costs of international travel, are financed by the host government.

In the "facilitated" category, the United States has sent to China visitors such as most Congressional groups, state governors, scholars, sports teams and cultural groups. China has sent groups of technical experts, athletes, and performing artists, such as the Shenyang Acrobatic and the Wushu troupes. About half of the participants from both countries in the government-to-government exchanges have been members of sports teams or performing arts groups. Significantly, the exchange of political leaders has been a one-way street. China will not

send officials here so long as the United States recognizes the government on Taiwan.

The Taiwan problem inevitably gives rise to friction in the official exchanges. In 1975, the planned visit by a Chinese performing arts group was cancelled because a song was added to the approved program selections which contained the lyrics "we must liberate Taiwan." Later in that year the Chinese objected to the presence of the Mayor of San Juan, Puerto Rico, on a list of U.S. mayors scheduled to visit China and the trip was cancelled. Ostensibly the objection was in line with Chinese support for a UN resolution favoring independence for Puerto Rico, but it may well have also been a tit for the earlier tat over the U.S. objection to the program selected by their performing arts troupe.

Most Americans have traveled to China not as official visitors but under private arrangements, either on their own or through membership in an organization. The U.S.-China Friendship Association, with branches operating in some 70 American cities, has sent many groups of interested Americans to China. It is not known, exactly, how many Americans have gone to China through unofficial channels, but probably the majority are Chinese-Americans, encouraged by China to make return visits to the land of their forebears. I visited in south Quangdong (Kwangtung) Province which is the place of ancestry for a large number of Chinese in the United States. In the village of Taishan, I found a large new hotel for overseas Chinese and a second, more modern hotel under construction. The private visits to China are essentially a one-way street. Only several hundred Chinese have come to the United States on this basis, mostly technicians coming over for training in the use of American equipment and technology, as was the case following the sale of 707s by Boeing and of fertilizer plants by the M. K. Kellog Co. Some Chinese have also come to visit relatives living in the United States.

As to tourism, the outlook is unchanged since my visit in 1974. Other than for visits by overseas Chinese, I did not detect any interest by Chinese officials in opening their country to large numbers of American tourists. In turn, the Chinese show little curiosity about the outside world. A usual justification for large-scale tourism is to earn foreign exchange. As indicated, Chinese facilities for handling tourists are still severely limited by a lack of hotel accommodations, interpreters, automobiles, and other amenities for international travelers. I saw no evidence anywhere in my travels of new tourist-type hotels being constructed or of any newly opened. The situation regarding American newsmen is also unchanged. Newsmen continue to be admitted as individuals but the Chinese position that permament American news bureaus will not be allowed until after full restoration of diplomatic relations remains.

III. Chairman Mao Tse-tung's Legacy

It is difficult for one who had not personally seen the misery, sorrow, and degradation of life in old China, as I did as a U.S. Marine in the early 1920's and twice as a Congressman in the 1940's, to understand the significance of Mao Tse-tung to the Chinese people. To restore China's pride as a nation was one of Mao's major goals. Under his

leadership, there has come into being for the first time in modern history a Chinese state under which the basic needs of the Chinese people—food, clothing, shelter, and health care—are met. In line with that fundamental achievement, the transformation of China into a modern industrial nation has been set in motion.

Although still a poor country by U.S. measure, China is well on the way to achieving a place of prestige in the world community. One hundred and ten nations have diplomatic relations with the People's Republic of China. Only twenty-six still recognize the Republic of China.[18] The United States is the only major nation which still maintains formal diplomatic ties with the Republic of China on Taiwan rather than with the Government in Peking. China is looked up to by many nations in the so-called Third World as an example of what can be achieved by self-reliance and independence.

As to Mao's social goals, the basic needs of the people, as noted, have been met. Food and clothing supplies are ample and low in price, housing is adequate, though primitive by our standards, particularly in remote rural areas. Health care is available to all. Bringing social benefits to the people—quantity—now has priority over quality, a Chinese leader told me. Quality, he said, will come in time. Relativity, *in the Chinese context*, is the key. I remember quite well that in the American depression a generation ago, when practically everyone in a still largely rural America was poor, one did not feel poor relative to his neighbors. Compared with the past, said a local leader in Shih Hotsu, a new city in remote Xinjiang (Sinkiang), the Chinese people are doing well. "Our situation is excellent," he put it simply.

Under the social system molded by Mao, the stress is on service. The heroes are those who work to get rid of the dry-rot in traditional social order and who contribute unselfishly to the long-range goal of improving the community, whether it be the commune, the factory or the nation. My observations, strongly suggest that the Chinese people have been imbued with the precept that there is a direct link between personal conduct and national goals. "Americans," one Chinese said, "may have put the first man on the moon but China will be the first to create a new man." "Serve the people" is not merely a slogan, it is a way of life reaching into the most remote parts of China. As with other aspects of Mao's doctrines, the principle has strong roots in Chinese tradition.

Stress is now placed on the "three-in-one" approach to leadership, combining the old, the middle-aged and the young. Another principle, "making the past serve the present," was exemplified by the preservation of several sand dunes in the Turpan (Turfan) depression. In an area where since 1964 hundreds of sand dunes had been leveled, turned into productive farm land, and stabilized by the planting of massive windbreaks, a few dunes had been retained, not only to show coming generations how bad the past used to be, but also to serve as a local spa for the treatment of arthritis.

From Shanghai in the East to Urumqi (Urumchi) in the West, from Beijing (Peking) in the North to Taishan in the South, wherever I visited there were impressive examples of efforts by individuals and groups working toward common goals. Material incentives are present

[18] See appendix D for lists of the countries recognizing each.

but they appear to be of less significance than the desire to achieve in terms of group objectives. Study sessions in factories and communes serve as an important link between every day conduct or performance on the job and national goals.

One of Mao's most important legacies is the doctrine of "self-reliance," a principle applied at every level of the government and to the international scene as well. The emphasis on local initiative carried out under basic policy guidance from the central government, called "walking on two legs," has been a key factor in the development of China's economy. Again, there are historical as well as practical roots for the stress on self-reliance. The Chinese are acutely sensitive to past humiliations suffered at the hands of outsiders culminating in the Soviet withdrawal of aid and technicians in 1960. This event led to a determined effort to minimize China's dependence on foreign sources for modernization and to apply this principle throughout every layer of government. "Rely mainly on our own efforts," Mao wrote, "while making external assistance subsidiary, break down blind faith, go in for industry, agriculture and technical and cultural revolutions independently, do away with slavishness. . . ."

Adherence to the doctrine of self-reliance has insulated China's economy from the vicissitudes of the world's economy to a degree not found in any other major nation. One recent example of self-reliance at work, was China's refusal to accept offers of outside aid after the devastating earthquake at Tangshan last August. The Chinese depend on the outside world for few raw materials, and with vast unexploited mineral and other resources, may eventually be completely self-sufficient. A prime benefit from self-reliance is that China, with its industry dispersed throughout the country, is in an excellent position to defend itself from outside attack. Decentralization of industry is being carried out both for practical and for strategic reasons.

From the production team of the commune to the national level, self-reliance is pursued religiously. The old Chinese tradition of emulation, following the good example set by the leader, is an important element in making the system work. In every commune visited there was a recital of the local unit's determination to "learn from Tachai," a model brigade of a commune which has achieved remarkable results in creating new productive land out of barren hillsides in Shansi Province. In the smallest and the largest factories, there was a dedication to "learning from Taching," a major oil refinery whose success is largely due to the initiative and ingenuity of the refinery workers.

At each level there are model factories and communes, not to impress foreign visitors since there are few, but to spur other local units to greater efforts. In the Xinjiang (Sinkiang) region, for example, there are 1,233 model farm units based on Tachai and 182 model factories for learning from Taching. The Hua-hsi Brigade, near Wuxi (Wu-shi) in Jiangsu (Kiangsu) Province, which I visited was a largely self-sufficient model brigade. It had achieved remarkable results in irrigation and in rationalizing use of its land by consolidation and leveling so that many of the farm operations could be mechanized. In Taishan County in Guangdong (Kwangtung) Province, I visited a small tractor factory which originally was a farm machinery repair shop. Last year it began producing 60 and 24 horsepower tractors using machines made primarily by its own workers in shops which they had con-

structed. It will turn out 200 tractors this year and plans to increase production to 3,000 units by 1980.

The Xinjiang (Sinkiang) region provides another example of self-reliance in operation at the provincial level. Until 1949, Xinjiang was a vast, thinly populated land of five million people scattered over a few oases and settlements, eking out a subsistence through primitive farming and animal husbandry. Today its population of eleven million work in factories or on well-managed farms, many of them mechanized. It is building a strong industrial base to exploit the area's vast natural resources, with plants already turning out steel and iron, petrochemicals, paper, textiles and other products.

It is also a province of significant geopolitical importance. The 3,000 miles of borders on five countries includes a long frontier with the Soviet Union that has been closed since 1962. Many Han Chinese have come into the region from the coastal areas in recent years but unlike past migrations, the rapid economic progress and an enlightened minorities policy has permitted their absorption without undue friction. Similar progress is being made in other remote parts of China, creating a more unified nation, while retaining the stress on local initiative.

An interesting aspect of the emulation approach to leadership is the fact that it has not resulted in competition between units. In no place visited did I hear any comparison between the brigade, the factory, or the province and a comparable unit. Competition is not intramural, it is with past performance. This attitude extends to the international scene as well. There is no indication that China is interested in engaging in competitive races with the outside world. Its self-confidence to date is free of arrogance.

Mao Tse-tung set out to create a unified China where traditional social and economic differences between classes, city and country, industry and agriculture, and mental and manual labor were eliminated. The meaningfulness of the task to the overall goal is stressed, not compensation. There are wage differentials but they are minimal. The average factory worker in Shanghai, for example, makes approximately $25–30 a month; the chief brain surgeon in a major local hospital in the same city makes $40 a month.

The local commune or factory party cadre, the managers in China's society, are expected to work closely with the peasants and workers. Bureaucrats are assigned to do manual labor periodically. This policy is put in practice most widely through the "May 7th schools," where cadre from governmental units at all levels combine farming with political study for a period of as long as a year. Attending such a school is not punishment but a normal part of training and discipline. "It chases away bureaucratic airs and teaches humility," one sophisticated Chinese bureaucrat said. Indeed, the techniques for keeping bureaucrats in touch with the grass roots may seem unusual to Americans, but the basic concept is hardly inimical to the preservation of a democratic society.

More than 12 million of China's middle school graduates, called "educated youths" have been sent from the cities to settle in remote or mountainous regions. The object is to carry out a two-way educational process, the young people pass on to the peasants any formal learning they have that can be applied to local problems. In turn, the

young acquire basic skills and practical knowledge from the peasants. How well this system will work out in the long run remains to be seen, although both the young people and local leaders with whom I discussed the matter describe the results to date in glowing terms.

The legacy of ideas left by Chairman Mao will continue to be felt not only in China but throughout the world for decades to come. China does not project its influence abroad by military means; it has no troops outside its borders. Rather it does so through the projection of a cohesive culture and a coherent, viable society with great meaning for many nations of the world. China is self-confident and self-sufficient, able to take the long view of history. How China uses the tremendous power it is likely to possess a generation from now will be one of the most important factors in the world situation.

In the Shanghai Communique the United States and China agreed that five principles should guide relations between states: ". . . respect for the sovereignty and territorial integrity of all states, non-aggression against other states, non-interference in the affairs of other states, equality and mutual benefit, and peaceful co-existence." As a prescription for conduct between nations, the formula is not controversial. Problems arise, however, in the application of these principles to specific situations. The Chinese Communist Party is firmly committed to the belief that revolution is the means of bringing about basic social change in any country. China also takes the position that party and state actions are separate matters.

China's basic foreign policy objective is national security. It has a 2,600 mile border with the Soviet Union, a border which has been the source of much conflict over the centuries. In addition, seemingly of greater current importance to China, are ideological differences which exacerbate the traditional animosity. The Chinese are confident of their ability to meet any attack from the Soviet Union. A leader in the border area said to me: "We have no fear of them and are prepared. We will oppose a war of aggresion. Justice will be on our side and we are bound to triumph."

The resumption of friendly Sino-U.S. contact stems at least in part from the Sino-Soviet dispute. Absent a settlement o fthe Taiwan issue, this expediency sustains the U.S.-China relationship. Mao's legacy of ideological animosity to the Soviet Union, at least for the present, will also be a restraining influence on Chinese accommodation with the Soviet Union. There are indications, however, that steps may be taken to settle the disputes and return Sino-Soviet relations to a more normal state of affairs. A thaw is possible and when it comes it is imperative that our relations with China be in good repair.

Nationalism is a driving force in China. Mao's stress was not on projecting China's influence externally, but on restoring China's traditional role as a model society to be emulated by other nations. China remains pre-occupied with internal problems and that is likely to continue for the foreseeable future. China rejects superpower status, associating itself with the developing countries. What it shows to the Third World is an alternative to becoming tied to either of the superpowers and a model for the effective handling of development problems on a national basis. Chinese leaders deny any suggestion that they are the leader of the Third World, saying that such a role would violate China's principle of "never seeking hegemony." By putting

agriculture first, China has succeeded in feeding its vast population without outside aid. This accomplishment has not gone unnoticed by the food-poor nations of the world. There can be little doubt that China's example will be of growing significance in the years ahead in an international community whose attention is increasingly concentrated on problems of resource allocation and social development.

Mao's goal for China, stated through Chou En-lai, was to build a comprehensive, independent industrial and economic system by 1980 and, in the second stage, to modernize its economy so that by the end of the century China's "economy will be advancing in the front ranks of the world." [19] On the basis of my observations in three visits over the last four and a half years, I believe that China is well on its way toward achieving its initial goal. It has solved the food problem and has made remarkable strides in population control. The standard of living, although meager by our standards, is constantly improving. Human muscle power is still more the rule than the exception in much of China's day-to-day development. But China is not a backward nation. It has capitalized on the ingenuity of the Chinese people and is proceeding on the thesis that nations, as well as humans, must learn to crawl before they can walk. What is of significance is that China has growing self-confidence in its capacity to leap-frog to the status of a modern industrial state. "Even if the sky should fall down," goes a Shanghai worker's slogan, "we will shoulder it."

There are problems ahead for China to be sure. The enormity of its problems, one Chinese bureaucrat said, could be appreciated from the simple fact that if each person ate another spoonful of rice a day, it would take an additional one million tons of rice each year to meet the new demand. Maintaining the revolution by avoiding the growth of elitism within the party bureaucracy is likely to be a continuing problem. Keeping the young, who have no personal memories of the "bad old days," filled with zeal may be another. There are also centrifugal forces at work between the provinces and the central government, between the army and elements in the party, between north and south, and between the old and the young. There is also the danger that human greed will re-surface in Mao's new man as the Chinese reach the stage where larger amounts of discretionary income are available. Notwithstanding these potential difficulties, Mao's precepts of self-reliance, serve-the-people, and his goal of abolishing basic social inequalities are likely to guide the country's leadership, whatever its make-up, for the foreseeable future.

Mao Tse-tung was one of the political giants of this age. He probably had a direct, personal, and positive impact on the lives of more people than any man in modern history. From a prostrate and divided country, under his leadership has emerged a unified nation of confident, self-reliant people whose pride in the past has been restored and who have a vision of a bright future. By any measure, China is a nation which must be increasingly reckoned with by the United States and the world. China has overcome vast obstacles in the short span of twenty-seven years. It is now in a position where, with effective leadership, its rate of progress can accelerate rapidly. By the turn of the century, China could be a giant, not only in human and natural resources, but also in its capacity to influence the world.

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[19] See Appendix E for Premier Chou En-lai's speech of January 13, 1975, summarizing China's policy and objectives.

IV. Observations on the Current Scene in China

A. AGRICULTURE

China's economy is keyed to agriculture. It has the largest number of people and livestock to feed in the world. It leads in the production of rice, hogs (one-third of world's total) and poultry, and ranks second or third in wheat, corn, soybeans, cotton, sheep, horses and eggs. China's agricultural problem can be perceived in the stark statistics of its arable land. It is aiming to feed its 800–950 million people in a country whose arable land totals only about 265,000,000 acres. That figure compares with 435,000,000 acres in the United States with only one-fourth as many people to feed. Even India, with considerably less people, has about one-third more arable land.

As a matter of national policy, agriculture is the "foundation" of the economy. Some 80 percent of China's population lives in the countryside and agriculture contributes about 70 percent of the raw materials for China's light industry, which has priority after agriculture in development policy. All inhabited areas outside of cities and towns, except for a small percentage taken up by state farms, are divided into some 50,000 communes. Communes vary in population from 10,000 to 80,000 and are divided into production brigades which are subdivided into production teams. This smallest working unit consists of about 30 to 40 households, totaling 150 to 200 people, which is responsible for farming about 50 acres. A brigade might embrace five to ten production teams living in one or more villages. The commune today is primarily an administrative unit, day-to-day economic and social life centers in the production brigades and teams.

In an area like Xinjiang (Sinkiang), a border land with difficult climate, soil and terrain conditions, the approach to agricultural organization varies from the norm. Whereas the commune structure, essentially a cooperative system based on people who already inhabited the area, is typical of most of China, in Xinjiang (Sinkiang) there are also state farms which operate on a different principle. State farms account for 35 percent of the cultivated land and produce more than one-fourth of the area's grain. After 1949, units of the People's Liberation Army (PLA) were sent into the area to establish farms on what had been barren land. The PLA enterprises have evolved into state farms and the soldiers have long since been demobilized. New people, primarily Han, migrating to the province have swollen the population of the state farms. The Number 143 State Farm in Shih Ho-tzu, which I visited, has expanded many times since it was established. In the beginning it consisted of about 1,000 people on 650–800 acres of land. It now has 40,000 people on 34,000 acres. Half of its population is made up of young children and students. The birth rate was once twenty per thousand, but is said to be declining as a result of efforts to promote family planning. Only part of the population increase on the farm is attributable to the high birth rate; much stems from the influx of Han youth from outside the province.

On state farms such as Number 143, the State is the owner and employer, whereas on communes the land is owned in common by the residents with their income coming primarily from sale of the produce of the commune to the state. One significance of the state farms, which

control 5–10 percent of China's agricultural land, is that they are vehicles for developing previously unproductive land in remote regions, thus providing a livelihood for new settlers. On the Number 143 State Farm the workers earn wages averaging about 50 yuan ($25) a month. They have no private plots as on communes. They construct their own houses, make their own implements, and provide for many of their other needs. Only a single crop a year can be cultivated there—maize, wheat, cotton and sugar beets. Pigs, sheep and poultry are also raised. Food processing is an important adjunct of agriculture.

China has been able to push its grain harvests upwards each year by stressing a national policy of "taking grain as the key link." In application, this means, first, improving and expanding, by "rural capital construction", China's limited arable area. What is involved is leveling, terracing, and reclaiming millions of acres of previously unproductive land every year, and improving the irrigation and drainage of cultivated land. This requires the back-breaking toil of a hundred million peasants or more each winter season. I saw much leveling and terracing going on as I traveled through the countryside. It is work that obviously could be performed more expeditiously and on a larger scale if more earth-moving machinery were available. The magnitude of the largely human-labor effort, however, can be seen in the achievements registered under the Fourth Five-Year Plan (1971–1975). Over 80 million acres of land were leveled, a process essential to mechanization and use of irrigation. Twenty million acres were brought under new or improved irrigation, about 17 million acres were protected from waterlogging and about eight million acres were terraced.

Multiple cropping is being increased as a means of expanding output. New strains of grains with shorter growing seasons and higher yields are being developed. In Jiangsu (Kiangsu) province a typical sequence is two crops of rice followed by one of wheat. The Yunghe Production Team of the Tuanfen People's Commune in Taishan County, Guangdong (Kwangtung) province, which I visited, regularly produces three crops and now gets four in several of its fields.

With agriculture the top priority, industry directs its efforts to supporting it by producing machinery, fertilizer and insecticides. To achieve mechanization "in the main" by 1980, as called for by now party Chairman and Premier Hua Kuo-feng [20] in the fall of 1975, industrial inputs on a vastly increased scale will be necessary. I saw many impressive examples of local efforts to meet this goal.

Turpan (Turfan) County in the Turpan Depression in Xinjiang (Sinkiang) Province is an unusual example of the massive effort to improve agricultural production. The Turpan Depression drops to more than 500 feet below sea level. It is a place of intense heat in summer, fierce winds, and virtually no rainfall. It was once known as the "land of fire." For the summer months the temperature averages about 104 degrees and often goes as high as 116 degrees. The ground surface temperature reaches 160 degrees. Rainfall averages one-third of an inch per year, but the annual evaporation rate is about 75 inches. The winds are so strong that in the past crops have simply blown away. In this inhospitable environment of aridity, sand, and wind, self-help programs have been organized to fight the sand dunes and the

[20] Hua was then a Vice-Premier and a member of the Politburo.

wind, and to create a prosperous agriculture and new industries. The leader of the Forward Brigade of the Five Star People's Commune described how windbreaks were built to protect the land from wind and drifting sand. Windbelts composed of 10 rows of poplar trees in five tracks with irrigation ditches between have been planted under a long-term program started in 1964. The main wind barrier was three kilometers long with about 400,000 trees. Two other similar belts of trees have been completed and two more are planned by the brigade. Within the belt fruit trees and grapevines have been planted. In addition, there are lesser belts around individual plots of cultivated land. Altogether in the Turpan area some 850 miles of windbreaks have been established.

The key to local agricultural success has been the increased availability of water. This has been brought about by three methods. First, the people of Turpan built 400 miles of canals to tap the waters of distant snow-covered mountains. Second, they dug some 600 traditional wells. The third method is by what is called the "Karez Well," a system consisting of a series of wells sunk to an underground water flow which starts at the foot of the distant snow covered mountains with the wells decreasing in depth as they approach the agricultural area. This ingenious system is designed to keep the ground water from being dissipated in the sand. There are about 500 Karez Wells in Turpan County, all interconnected with the canals.

Turpan County covers 4,000 square miles, with 50,000 acres of cultivated land. The population of 139,000 lives in ten towns, seven communes, and one state farm. Until about ten or so years ago, the sand drift in Turpan was so relentless that houses and villages were sometimes buried and many people forced to move from their homes. The drifts have now been blocked. Over 1,000 sand dunes have been leveled and turned into productive farm land. The sand drifts and dunes have been controlled by windbreaks, flushing, manual spreading and tractors. Sand has been carried away to improve barren land and the composition of the soil elsewhere.

Before 1949 "the people led a miserable life," a local leader said. Now the area under cultivation has doubled and crop yields have greatly increased. In the past grain was short; now the county sends grain to the state. The living standard, we were told, has improved so that the production teams now have large grain reserves, money in the bank, and the people "wear woolens and silks and have bicycles, radios and watches."

In 1964 Chairman Mao declared, "In agriculture, learn from Tachai." Tachai is a production brigade in Shanxi (Shansi) province which achieved an impressive record in turning barren, mountainous terrain into productive land while overcoming difficult obstacles of morale and weather. "Learn from Tachai," is a constant refrain in the countryside throughout China, with Tachai held up as a model for all communes, brigades and teams to emulate. At the 1975 agricultural conference, the then Vice-Premier Hua Kuo-feng set forth as a goal that more than one-third of China's counties should become "Tachai-type" counties by 1980. More than 300 counties had already so distinguished themselves, he declared, but at least 100 more "Tachai-type" counties should be added annually for the next five years.

An example of "learning from Tachai" is the Hua-hsi Brigade in Jiangsu (Kiangsu) province. This advanced brigade lives in a neatly

laid out village. It contains 1026 persons in 285 households, who farm 140 acres. Before 1949 the area consisted of many small, unproductive, plots of irregular land. Grain production was about 1500 pounds an acre. In 1964 the brigade adopted a fifteen-year development plan to increase production to 6 tons an acre. The goal was achieved in eight years. In 1975 the two crops of rice and one of wheat grown by this brigade amounted to about 7.5 tons an acre. The increase was made possible primarily by the consolidation and leveling of 1300 small uneven plots into 400 larger plots, and by increased mechanization.

The living standards of the brigade members have risen substantially during this period. Average annual income is now more than double that of 1963 and every family has money in the bank and grain reserves. The peasants have moved into new homes, including some new two-story houses which, although modest by American standards, are markedly more comfortable than the older housing. The brigade has preserved one house and a small plot of land from the old days to make young people understand how the present compares with the past. The brigade provides services such as a tailor, barber, bathhouse, shoe repair and a variety of small stores. Private plots are farmed collectively and fresh vegetables delivered daily to each household. There are free primary and middle schools for the children as well as a nursery and a kindergarten. Several barefoot doctors operate a small clinic. The economy of Hua-hsi has been diversified. Earlier the brigade concentrated on growing rice. Now it has orchards, fisheries and raises stock animals. Half of the brigade's income comes from occupations other than raising grain. The Hua-hsi Brigade is now proceeding under a second economic plan that seeks by the early 1980's to accomplish such goals as production of ten tons of grain an acre, diversification, complete mechanization in agricultural production, and the provision of a new, two-story dwelling to every household. The plan's success depends heavily on mechanization. On all farms I visited there was some degree of mechanization and plans for more. Mechanization can be applied to planting, plowing, harvesting, irrigation, grading, transportation and other operations such as the processing of food. How fast China can fabricate and put into fields the machines for these purposes depends on many factors. It depends on the competition for available iron and steel and on local factors affecting the production teams and brigades, including personal initiative, topography, soil conditions and finances.

Despite continuing advances in agricultural output, there is still rationing of grain, cooking oil and cotton goods. Mixtures of cotton and synthetic fibers are not subject to rationing. Replacement of cotton with synthetics is encouraged to release cotton acreage for other crops. Increased use of synthetics is also in harmony with China's rising petroleum output.

After centuries of stripping the forests, wood has been a scarce commodity in most parts of China for a long time. Concrete is used for many purposes where wood would normally be employed in the United States, for example, in electric poles, railroad ties and small boats. One of the most significant agricultural achievements since 1949 has been in tree-planting. Virtually everywhere there were immense plantings of trees, often in multiple rows, along the roads, rivers, canals, and irrigation ditches. While it was difficult to get comprehensive fig-

ures, I was told that in the city of Nanjing (Nanking) alone, for example, 26,000,000 trees had been planted since liberation. Afforestation programs have been included in national plans for agriculture for the past two decades and from my observations, it would seem that within a decade China may be able to satisfy completely its need for wood. In fact, paper and plywood have been significant exports during the past several years.

B. OTHER ASPECTS OF CHINA'S ECONOMY

"Take agriculture as the foundation and industry as the leading factor" sums up priorities for developing China's economy. Agriculture comes first, followed by light industry and, last, heavy industry. Light industry and agriculture are closely linked because two-thirds of the raw materials for light industry come from agriculture. Growth in the agricultural and light industrial sectors provides the basis for financing as well as the market for heavy industry, which in turn produces the machinery, transport and so on that sustain progress in agriculture and light industry.

The performance of the economy in 1975, the last year of the Fourth Five-Year Plan and the latest year for which generalizations can be made, advanced China another step toward immediate and future goals. Value of industrial production rose about ten percent over 1974, a year of lesser gains. Large increases were recorded in production of such items as radios, watches, bicycles, sewing machines, cameras, yarns and textiles. Judging by the goods observed in department and other stores in Urunqi (Urunchi), Beijing (Peking), Guangzhou (Canton), and Shanghai, there seem to be adequate supplies of these items for domestic consumption. Stores are well stocked and jammed with customers.

The emphasis placed on light industry over heavy industry has clearly helped to meet the needs and desires of the people. Light industries, moreover, include those that happen to harmonize with traditional skills of the Chinese and are capable of earning foreign exchange. During my visit I toured several small factories which illustrated the practical approach to China's industrial development. The August First Woolen Mill in Shih Ho-tzu in Xinjiang (Sinkiang) province, was established to process the wool from the sheep that are raised in the area. This factory was started in 1958 on a stretch of desert. With 53,000 spindles and 2,500 workers in seven workshops, it now turns out piece goods and yarns that are exported to ten countries, including some in Eastern Europe as well as Korea, Vietnam, Cuba, Kuwait and Hong Kong. I also toured the July First Cotton Textile Mill in Urumqi (Urumchi) in the same province. Although Xinjiang (Sinkiang) produced cotton in 1949, cloth and thread were then made only by hand. A PLA unit in Urumqi (Urumchi) started the mill which went into production in 1952. It now has 100,000 spindles and 8,300 workers.

Another example of local initiative is the small factory I observed in Hsinhui, Guangdong (Kwangtung) Province. The Artistic Palm Products Factory has capitalized on the palm tree which is native to Hsinhui. In 1958 local workers made the machines for processing the palm leaf and the factory now has 500 employees turning out a variety of products such as mats, fans, hats, curtains and baskets.

Still another example of light industry which has capitalized on an ancient Chinese skill and local resources is the Taishan Porcelain Factory also in Guangdong (Kwangtung) province. It produces chinaware and porcelain products for both domestic use and export. The factory was established during the "Great Leap Forward" in 1958. No such industry had previously existed in Taishan County. It now produces about 20 different pottery products and forty percent of its annual production of 10 million pieces is exported. I saw saucers destined for Africa, bowls for Thailand and Malaysia and teapots for Southeast Asia. Small local factories like these, keyed to local needs and resources, can be seen throughout China. They constitute the basic foundation of China's industrial development efforts and are not only significant for internal consumption but are often foreign exchange earners.

Top priority is assigned to industry which aids in expanding agricultural production. The increase in production of large and walking tractors and farm related diesel engines, in 1975 over 1974, for example, was stated as 40%. The walking tractor is a versatile machine especially useful in rural areas in the present stage of China's development. It is a motorized, hand or foot guided machine that can accommodate an assortment of attachments, including wheeled carriers that convert it into a means of transport. I saw thousands on the streets and roads of China, filling a gap between large trucks and bicycles or push carts. The primary use of the machine, however, is in the fields. One can plow an acre of ground in an hour. From a small shop with 13 workers set up in 1956 to make hand tools such as hoes and sickles, the Farm Machinery Factory in Hsinhui County has developed into a factory with 750 workers that in 1975 turned out 7,500 "worker-peasant" Type Ten walking tractors and expects to produce 8,500 this year.

As China's economy develops it can be expected that heavy industry and energy will receive more attention. Indeed, a trend in this direction is already detectable. Capital construction in 1975 was up perhaps twenty percent over 1974, including for example, expansion in such industries as electric power, petroleum, coal, motor vehicle, fertilizer and sugar refining. An example of heavy industry which came to my attention was the Shanghai Electrical Machinery Plant in Minhang, a satellite city of 80,000 people in the Shanghai Municipality. The factory builds turbo-generators and electric motors. With 800 workers, it is one of a number of plants located in this Shanghai suburb. The Electrical Machinery Plant came to Minhang in 1951 with a couple of hundred workers. In 1954 it turned out a generator of 6000 KW, using a foreign design. Employing local engineering and design skills, the plant turned out successively larger generators until now it produces generators with ratings as high as 300,000 KW. Although many of the workers learned techniques and engineering skills through practice and study at the factory, it has engineers from universities in many parts of China and one received training in the United States. Production in this plant in 1975 was said to be eight-fold that of 1965. While generators of various capacity are produced, two or three each year are of the largest size, 300,000 KW. Presently programed is a 600,000 KW generator.

A weakness in China's development effort exists in the iron and steel industry. Output is increasing slowly, and imports are still necessary. In the early fifties China's production of crude steel was only a few million metric tons a year; in 1971, it was 21 million tons. After fluctuating, it increased to only 26 million metric tons in 1975. A further increase in capacity can be expected when new plants supplied by Japan and Germany come on the line in 1978.

Even in heavy industry, the stress remains on self-reliance. The Yangtze River Bridge at Nanjing (Nanking) is an example of advanced engineering and complex steel casting accomplished by Chinese technicians. It is both a railroad and highway span, a key transportation link between north and south China. The railway portion of the bridge is over 22,000 feet, with the span running more than a mile over the water. China had not previously made the special steel required in construction of the bridge and had contracted with the Soviet Union to supply it. When the break came with Moscow, China was thrown back on its own ingenuity. The Anshan Iron and Steel Works in North China came up with the required steel and the bridge opened on schedule in 1968. The economic importance of the bridge, although it is not the only bridge over the Yangtze, is shown by the traffic which it carriers. About 120 trains cross each day, compared with about 40 a day by the old ferry method.

During my recent visit, which carried me to distant parts of China, I observed that electricity had become available virtually everywhere. Even the humblest dwellings in rural areas had electric lines running in to them. During the quarter century of the existence of the People's Republic, China has become a major producer of energy—third in the world in coal production, sixth in natural gas and thirteenth in petroleum. Hydroelectric power is still a minor source.

The following table shows comparative growth.

CHINA: PRODUCTION OF PRIMARY ENERGY

	Total	Coal	Oil	Natural gas	Hydroelectric
	Million metric tons of coal equivalent				
1965	198	169	16	12	1
1970	306	233	43	28	2
1974	428	289	98	38	3
	Percent				
1965	100	85	8	6	1
1970	100	76	14	9	1
1974	100	67	23	9	1

China has large reserves of coal, with some in virtually every province. In the past the best deposits were in the North and Northeast and there was thought to be little elsewhere. In recent years the discovery of substantial deposits in the South has greatly improved national availability. Shortages in coal production within the past several years, have caused problems for the iron and steel industry, the railroads and fertilizer production. Coal production had been in a slump for several years, partly because of equipment and labor troubles but production gains were registered in 1975 with output at about 430 million metric tons, compared with almost 590 million metric

tons in the United States. A national conference on coal was held in Beijing (Peking) in late 1975 at which a program for mechanization and the development of new capacity was unveiled. It will take several years, however, for this to bear fruit.

China's exploitation of its petroleum resources has resulted in rapid increases of its production in recent years. New fields have been discovered and oil fields have been more intensively worked. Production has been expanding at a rate of 20 percent a year and in 1975 was about 80 million metric tons. This compares with almost 420 million metric tons in the United States in the same year. Last year China publicized the development of offshore drilling capacity in shallow waters of the Gulf of Pohai. For reasons not altogether clear, the rate of increase in oil production diminished in 1976 and exports declined. Although China has relied to some extent on foreign equipment, it rejects foreign participation in the exploitation of its oil resources. At present there appears to be no intention to permit any foreign company to receive exploration, drilling or similar concessions. Processing capabilities lag behind petroleum output but this gap could be narrowed or eliminated when new refineries in eastern cities come into operation in the near future. As to the future, problems in stimulating coal production make it doubtful that the rate of increase in energy output can be maintained let alone accelerated. As a result, demand for energy may mount faster than the supply. Such a development would both affect petroleum exports and make hydroelectric power more attractive. Water power has been a minor source of energy and by its nature cannot become a major challenger of either coal or oil. Nevertheless, in mountainous China hydro power is a promising source.

I visited a hydroelectric system in the Kutou Mountains of Guangdong (Kwangtung) province. This enterprise was started in 1958 as an afforestation and tree farming project and beginning in 1970 a complex of reservoirs, water channels and power stations was added. The tree farms were expanded, fruit trees planted, and the reservoirs stocked with fish. The centerpiece of this complex is a system of ten reservoirs, dams, channels and hydrogenerator stations at descending levels of the mountains. The twenty "small-sized," as they were described, hydroelectric generators add up to a total capacity of only 7,000 KW. A plan is being put into effect, however, to expand the capacity of the generators to 10,000 KW but, judging by the volume of the water, and the length of descent, the potential is much higher. A principal significance of the system is that it was built from scratch by local labor. It was an impressive example of the doctrine of "self-reliance" in practice.

Recent figures for the first half of 1976 indicate that the Fifth Five-Year Plan (1976–1980) is off to a good start and is continuing the long-term growth trend. The gross value of industrial output was up 7 percent over the first half of 1975 and the machine building industry is reported to have fulfilled more than half of the 1976 production plan in the first half of the year. Coal, gas, and electric power were all up, but it is noteworthy that the increase in oil production in the first half slipped from the 20 percent level achieved in recent years to about ten percent. In certain industries the completion in 1976 of the first contingent of two billion dollars worth of imported

plants and equipment under the Fourth Five-Year Plan will add to the capital base, particularly in the petroleum, chemical, and synthetic fiber industries.

Attaining success in the Fifth Five-Year Plan (1976–1980) is critical for advancing toward the mid-term goals of "independent" and "relatively comprehensive" development by the 1980's although the specific goals of that plan have not been disclosed. The political problems of the past year, the first year of that plan, undoubtedly absorbed an undue amount of the government's attention but reports at the end of October were that the government press has again stressed former Premier Chou's goal of modernizing the economy.

It seems that the question of how much priority industry will receive will depend on the progress made in agriculture. Progress in the later has been so rapid that a point could be approaching at which a decision to allocate higher priorities to industry might be taken. This could become one of the salient features of the Fifth Five-Year Plan.

C. FOREIGN TRADE

China's foreign trade is controlled by the Beijing (Peking) government and is not subject to decision by lesser authorities or by private individuals. Since it is so much an instrument of national policy, foreign trade is responsive to the political philosophies that compete within the party hierarchy.

The power of the principle of self-reliance in molding the economic effort of the Chinese people has been described earlier in this report. It is a particularly influencial principle in foreign trade policy. But self-reliance does not stand in the way of trade that can be conducted on a basis of "equality and mutual benefit", trade that does not lead to dependence on foreigners. A principle of China's trade practice is that economic aid and loans, other than normal supplier credits, should not be accepted from abroad. China is proud that it is in debt to no one and evidently it intends to maintain that course. The New China News Agency recently explained:

> We stand for independence and self-reliance. This does not mean we decline to study foreign experience, neither does it mean that we lock our door against the world and refuse to develop foreign trade or to introduce from abroad certain techniques and equipment really useful to China.

It is a matter of profiting from, and not becoming dependent on, foreign technology and equipment.

Commerce with other nations contributes only marginally to China's economy. Therefore, the debate between the "moderates" and "radicals" over how much stress to place on foreign technology, relates only to a marginal, but significant, component of the national economic structure. Briefly, the "moderates" favor increased trade with other countries to obtain the sophisticated technology and equipment China needs for development, while the "radicals," assigning greater weight to ideology, are reluctant to increase China's dependence on external sources and also fear that such trade relations would stimulate growth of a technically oriented bureaucracy remote from the people. The surge in China's trade since 1972 reflects the philosophy of the "moderates." The years 1973–1975 were marked by several notable develop-

ments—the orders for whole plants and machinery from abroad as a spur to heavy industry, the mushrooming sales of petroleum, and the incurring of a large deficit followed by efforts to bring trade once more into balance. Self-reliance has remained a potent factor, however, so that China has advanced technologically without a massive input of foreign technology. Repeatedly in my travels I was told in factory after factory how the workers had built their own machines, often modeled on others, but in many cases improved by indigenous innovations. Imported equipment makes up only a small portion of the machines in China's fields and factories. The qualitative input from foreign imports, however, could be of key significance in particular situations, such as in the case of the purchase of prototype plants and advanced computers.

China's trade began a rapid expansion in 1973, increasing to $10 billion from $6 billion the previous year. In 1974 trade soared to nearly $14 billion but the deficit also climbed from $170 million to $810 million. The trade deficit was cut to $400 million in 1975, not by changing the general pattern substantially—but by selling more to developed countries and importing less from developing countries. In 1975 the direction of trade shifted more towards Japan, Hong Kong (which respectively rank one and two as China's trading partners), Western Europe and Rumania, and away from the United States and Canada. More than four-fifths of China's trade is now with non-Communist countries, but trade with Communist nations provides China with a substantial market for commodities, unsalable in the West, which can be exchanged for industrial goods. Imports of agricultural products, such as grains, cotton and soybeans, were reduced, because burgeoning harvests have built up China's reserves. Imports of machinery and plant equipment increased by 30 percent, mostly in fulfillment of whole plant contracts made in 1973–1974. Contracts for entire plants, such as petrochemical and metallurgical complexes, reached a peak of $1.2 billion in 1973, dropped to about $850 million in 1974 and to less than $400 million in 1975. The policy of buying whole plants was justified in the face of China's policy of self-reliance on the grounds that such imports would in the long run advance that principle. China's 1975 exports increased over 1974. Although traditional exports, food, textiles, and handicrafts, receded somewhat because of the slack world economy, China more than made up the difference with petroleum exports which rose to about one billion dollars. Visible trends in 1976 show some slackening of trade expansion, primarily because of a decrease in oil exports, but there could be some increase in traditional Chinese exports due to improvement of the world's economy and more effective promotion of exports.

Hong Kong is a special situation in China's external trade. In an economic sense, British-governed Hong Kong is an outpost of China and its principal contact with the capitalistic world. Hong Kong is a prolific earner of foreign currency for the People's Republic. This helps to explain why Peking shows no haste in reasserting sovereignty over the British-ruled enclave. This city of 4.4 million pople, almost all Chinese, is China's second largest trading partner, behind only Japan. In 1975 China exports to Hong Kong totaled $1.4 billion dollars while only five million dollars of goods were bought from the

colony. China's favorable balance with Hong Kong is almost twice its deficit with Japan.

Although China is philosophically opposed to foreign investment on its soil it has not hesitated to invest in Hong Kong. China, in a display of what has been called "commercialized communism," has made investments in a great variety of firms and enterprises in Hong Kong which bring a rich return, including banks, department stores, commercial agencies and distributors, manufacturing firms, warehouses, and insurance companies. Profits from these investments, borrowings from Beijing (Peking)-owned or controlled banks, and remittances to China by Chinese in Hong Kong amount to perhaps an additional 600 million dollars. Pragmatically, the foreign exchange which Hong Kong provides helps China to acquire the high technology and machines it needs from abroad to achieve the goals outlined by Premier Chou at the Fourth National Congress. In turn, Hong Kong with its millions of inhabitants would find it difficult, if not impossible, to exist without the food, fuel, textiles and even water that China supplies. The colony cannot be self sufficient nor can it easily shift to other suppliers. China derives a number of auxiliary benefits from the Hong Kong connection. For instance, Hong Kong serves as an important port for China which has a shortage of harbor facilities. It is a neutral site where businessmen from many different countries can make contact with the Chinese to explore matters of mutual interest. Hong Kong has channels of information about economic, financial and other world developments which are of value to somewhat isolated Chinese officials. Finally Hong Kong is, in a sense, a school for China's officials to learn worldwide trading and marketing techniques in a supply and demand environment. These techniques may be of increasing benefit as industrialization proceeds in China and it aspires to greater participation in world trade and finance.

D. EDUCATION—PRACTICAL AND IDEOLOGICAL

In China today education takes place on a mass scale. One-fifth of the population is in school at the primary, middle and university levels. Add to this the many millions who are in factory, vocational and other short-term training or are taking correspondence courses offered by the universities and other educational institutions and one can reasonably estimate that one-third to one-half of the Chinese people are engaged in full-time or part-time study of one kind or another. This is a far cry from the massive illiteracy of pre-1949 China.

China's educational system was drastically transformed during the Cultural Revolution. "Education," Chairman Mao declared, "must serve proletarian politics and be combined with productive labor." In the judgment of party leaders, students in the educational system had been isolated from the life and labor of the workers and peasants and were learning "by rote" subjects of social irrelevance. Graduates were thought to be incapable of assuming the tasks of China's socialist society and to constitute an intellectual elite out of touch with the working class. Changes were instituted to end those conditions by changing the educational process to give priority to "revolutionary" purposes.

At present, the normal sequence for study is five years of primary school followed by five years of middle school following which grad-

uates go to work in factory or commune. But throughout there is much exposure to practical work experience. The reforms in education instituted during the cultural revolution are exemplified in the Teachers College at Nanjing (Nanking), which I visited. The cultural revolution brought about a change in the philosophy, curricula and administrative procedures of the school in order to conform with Chairman Mao's principle that "education must serve a proletarian purpose." The spirit of the political transformation of the system is evident in the new criteria for admission to the school. Previously acceptance for enrollment depended on graduation from middle school and receiving good marks in national entrance examinations. Now applicants must have at least two years of experience in factories or communes and be recommended by their local revolutionary committee. College officials asserted that priority is given to the "political consciousness" of the applicants as shown in their work. Under this policy, most enrollees are still middle school graduates, but some are not. In the interest of making the curriculum more practical (the earlier "theoretical" nature of education is condemned) the four-year curriculum was shortened to three and the students now spend three months of each year working in factories or communes. The principal subjects taught in the teachers college do not appear unusual—Chinese language, foreign languages, the art of teaching, political education, music, fine arts, mathematics, physics, chemistry, biology, and geography. It also conducts courses for factory workers and people in rural areas. About 3,000 students attend short courses and 4,000 take correspondence courses, in addition to the 2,400 regular students.

Training in primary and middle schools is tied to day-to-day life. Schools have a close relationship to work on farms and in factories and usually combine learning with practical experience. Military training is also stressed. A vivid example of this approach in practice was seen at the Number Five Municipal Primary School in Urumqi (Urumchi). One of the features of this school of 1,800 students was a small rug weaving operation in which the students obtained practical training and, in the process, earned some $20,000 annually for the school from sale of the rugs. Another feature was a rifle team of thirteen-year-old boys and girls who gave an impressive demonstration of marksmanship.

Several of the factories I visited had "July 21 Workers' Colleges." These are schools initiated by a 1968 directive of Chairman Mao designed to improve the technical knowledge and political consciousness of the workers. China needs many highly skilled technicians and, in the view of the government, these technicians should be inbued with a socialist, proletarian consciousness. Workers' Colleges are designed to fulfill these requirements. They are run by factories and aimed at training ordinary workers to become skilled technicians. The students, according to recent figures, now number almost eight hundred thousand in 15,000 such colleges. The courses range from several months to as long as three years, concentrating on engineering, physical sciences and mathematics. Other subjects such as liberal arts and medicine are also taught. Instructors are frequently workers from the factory, but sometimes engineers and technicians from other schools. The courses are tied closely to practical experience in the factory but also include a theoretical content. The graduates from these schools are significantly

raising the standards of technology in China's factories and may well be breaking down distinctions between technicians and workers.

A special kind of school, intended for managers (cadre) in both governmental and non-governmental occupations, are "May Seventh" schools, initiated by a directive issued by Chairman Mao on May 7, 1966. The May Seventh school I visited was typical. Established to train cadres in the Eastern District (one of four municipal districts) of Beijing (Peking), it had 300 students drawn from government organizations, factories, hospitals, shops and schools. The purpose of the May Seventh school is mainly political, to indoctrinate leaders with socialist ideology—Marxism, Leninism and Mao's thought—and to give them better awareness of the needs and aspirations of the people. The year's course is comprised of three parts: the study of Marx, Lenin and Mao, participation in work on the farm lands of the school, and a month of work in a production brigade of a local commune. The latter two are intended to give the cadre a feeling for the lot of the peasants so they will serve the people more willingly when they return to their regular jobs. A saying in the school goes: "After you carry the shoulder pole (of the peasants), half your bureaucratic airs will be swept away." All cadre in the country, including high officials such as government ministers and ambassadors, are expected to attend a May Seventh school. Exceptions are only for those who are too old, who are not physically fit, who have unusual family requirements, or who cannot be spared from their jobs. Every government ministry has a May Seventh school as does the General Office of the Communist Party's Central Committee.

The reforms in education introduced at the time of the cultural revolution have repeatedly been termed "experimental," indicating that additional changes could come. The reforms have reflected more the ideological tendencies in the party than a pragmatic approach to learning. Whether current political trends will in time be translated into changes in the educational system remains to be seen. With increased emphasis on industrialization China may well have to place greater emphasis on technical and scientific training.

E. POPULATION

Chinese officials usually refer to their country's population as "800 million." The last census, in 1954, came up with a total of 582,603,417 for the mainland. Without evaluating how accurate that census may have been, the population of China has grown greatly since, and there is much uncertainty about the rate of increase. Officials readily admit that "800 million" is questionable. On my recent visit a high official said that the Ministry of Commerce used the figure 900 million but added that this total was probably exaggerated.

In his report to the Fourth National People's Congress in January 1975 Premier Chou En-lai said that China's population had increased sixty percent since liberation. The U.S. Department of Commerce has come up with two separate estimates of China's current population. The Bureau of the Census in a publication entitled *World Population: 1975*, estimates the mid-1975 population at 842,545,000. At a rate increase of about 12,000,000 a year which it posits, this would mean a population of 854,000,000 in mid-1976. But the Foreign Demographic

Analysis Division, in the same Department, estimates China's population, as of January 1, 1976, at 953,107,000. Lee Orleans, an authority in the Library of Congress on China's population, estimates the January 1, 1976, total at 863,000,000. Two other recently published estimates of China's population have been made by the Environmental Fund and by the Worldwatch Research Institute. The former places the mid-1976 population at 964.4 million and the latter estimates the current population at about 823 mililon—a difference of about 140 million.

Whatever the figure, the policy of the Chinese Government is to restrain the growth rate, except among the minorities. China encourages late marriages, at least age 28 for the men and 25 for women. The government promotes the use of birth control devices, contraceptives being supplied free through medical facilities throughout the nation. Education and social persuasion are used to induce couples to limit the number of children to no more than two. But one official acknowledged that birth control was difficult, especially in the countryside. Many people were still influenced, he said, by the Confucian idea that it is desirable to have many children. The government's goal is to reduce by 1980 the growth rate to 1.5 percent from the current level of some two percent. Progress is being made, however, as indicated by a .9 percent growth rate in theHua-hsi Brigade near Wuxi (Wu-shi). Hard, comprehensive statistics are a rarity, however, and only time will tell how effective the control program is in practice.

China's concern for population control is motivated, it is said, not by fear that population will outstrip food but in the interest of more rational planning, and of expanding the standard of living—more for everyone, better health, easing of burdens for parents, more work opportunities for women and superior education for children. Although the central government persists in applying the figure of "800 million" and has not itself publicly adopted the method of using local population estimates, observers in Hong Kong noted that the condolence messages published on the death of Chairman Mao state the number of people living in each province. These figures total 855 million.[21] However, one Chinese bureaucrat said that provincial population figures must also be taken with a grain of salt.

F. MEDICAL CARE

Medical care in China can be seen from two frames of reference. First, and most important, is the socio-political view. Here the measure is a comparison of health conditions in China before 1949 with those of today. By this standard the achievements are remarkable. Twenty-seven years ago no widespread system of medical care even existed. Malnutrition and starvation were everywhere, many diseases were rampant, and drug addiction and prostitution were common. Through basic public health measures, general improvements in the standard of living and the provision of medical care for all, these problems have been eliminated or, in the case of a few stubborn diseases, closely controlled. The other perspective is to look at how China's medical care system stands today qualitatively by Western standards. On the basis of that standard China's medical system

[21] See appendix F.

leaves much to be desired. But, as with any appraisal of how China's system is working, use of an external standard misses the political mark.

Barefoot doctors, now one and a half million strong, are the primary deliverers of health care in China. Generally, they are young men and women, selected by local community leaders, who receive about three months of training on the district level before returning to their commune or factory. The type and amount of training varies with local needs, but training in the use of acupuncture and Chinese herbal remedies, plus some Western antibiotics, are common to all programs. Several barefoot doctors have the responsibilities for the basic care of 800 to 1,500 people. A barefoot doctor functions in a semi-autonomous fashion. He is visited two or three times a year by medical doctors from the district hospital and can call on their help at any time. His duties include giving general physical examinations, emergency care, general immunization, distributing birth control devices, follow-up care for chronically-ill patients as determined by medical doctors, and general public health surveillance. His annual schedule generally consists of six months of work in providing health services, three months of work in the fields, and three months of continuing medical education at a medical facility. In actual practice the routine varies greatly depending on available relief, the type of facility, and the needs of the community. The key to progress in this system is continuing medical education. While improvements are being made, there is a difficult problem in this respect due to shortages of adequate facilities and trained personnel. Mobile medical teams of various specialities drawn from the district-level hospitals constantly tour facilities at lower levels on a rotational basis to upgrade local techniques and abilities. It was said that about one-fourth of the doctors in a large city hospital would be working in rural or remote areas at any given time.

Medical doctors now receive three years of formal training, but consideration is being given to shortening the program to two years. All medical schools teach both traditional Chinese medicine and Western medicine, with each school varying in its emphasis, depending on past orientation. The melding of the best of both systems has yet to be accomplished, but research efforts are being directed toward this goal. Specialty training has been shortened to emphasize the availability of care. For example, the national goal for neurosurgeons is one for every county in China. There are now two to three neurosurgeons per prefecture (10–12 counties in a prefecture) so the national goal appears attainable. This has been accomplished by reducing the time of training for neurosurgeons to three years of medical school, three years of general surgery and one year of neurosurgery. After this, the doctor is capable of performing "simple" neurosurgical procedures, judging his own capacity to handle more complicated operations. Should he desire to handle more difficult surgery, he generally learns through another surgeon, not through formal training. Like all government functionaries, medical personnel are urged to keep in tune with the needs and aspirations of the people and periodically spend six months to a year in a rural area, either doing manual labor or, in the case of doctors, aiding the local medical personnel.

At present venereal disease, leprosy, kala-azar, cholera, typhoid and

polio are said to be non-existent. Tuberculosis and malaria are quite rare and malaria is localized to certain low-lying areas. Schistosomiasis (snail fever), a devastating disease in the past, has been closely controlled and no new cases have been reported recently. Alcoholism and drugs are not problems. Mental illness is quite rare, although there are some sanatoriums for treatment. Tremendous strides have been made in controlling disease through improvements in the standard of living, aggressive public health measures, stress on physical fitness, and an effective health care system.

Acupuncture both as a curative measure and as an anesthetic continues to enjoy a major position in Chinese medical care. As an anesthetic, it is said to be 90 percent successful. Its benefits include low cost, minimization of side effects, ease of administration and the patient's remaining conscious during surgery. As for the curative power of acupuncture, much scientific research is needed to come up with definitive findings. Claims of cures for diseases such as cholelithiasis, tic douloureux and deafness are but a few. Acupuncture kits are readily available to anyone for less than three dollars and acupuncture is frequently practiced by ordinary citizens. Research into both how and why acupuncture works and new usages is quite active at this time. Many questions remain unanswered, Chinese medical personnel admit.

There are three levels of medical institutions in the cities. First is the neighborhood or factory clinic which is responsible for routine care and emergency situations. It is usually staffed by several barefoot doctors. In the cities each large factory normally has its own hospital. For example, the July First Cotton Textile Mill Hospital we visited in Xinjiang (Sinkiang) province had 54 doctors manning a 200-bed hospital that served 8,300 workers and their families. While the laboratory and surgical facilities were somewhat rudimentary, a laser for opthamologic work had been in operation for a year, one of three in use in the province.

Next are hospitals at the district level. Here as many as several hundred health workers handle the more difficult cases, including complicated surgery. The education of physicians, barefoot doctors and other health personnel is handled in these facilities and some minor research is carried out. The provincial level hospital is larger and its staff is responsible for administrative and other matters for the province's medical system.

In the communes, each production team has health workers with somewhat less training that the barefoot doctor. The brigade level has a clinic staffed by several barefoot doctors, and at the commune level there is a small hospital, usually with a staff of about 40, including at least one fully-trained medical doctor, where minor surgery, limited hospitalization and continuing medical education are carried out. A network now exists throughout China where every citizen has ready access to some type of medical facility.

Medical care for factory workers and government functionaries is free and commune members pay only a nominal fee. Dependents of workers and functionaries may join a medical cooperative for 50 cents to $1 per year or pay 50 percent of their hospital bill. Daily care in a hospital for those few who must pay, costs approximately 60 cents per day, complicated brain or heart surgery runs $18–$20, and an appen-

dectomy is $5. The average pay for doctors in a Shanghai hospital was $40 per month.

All medical research must be approved for funding by the central government. The thrust of the basic research effort is toward learning more about acupuncture and Chinese herbal medicine. Local research, however, is oriented toward more direct and short-term gains in health care. There have been notable medical advances in China. In burn therapy, for example, use of a salve made from a tree bark has enabled patients with 90 percent burns to survive and micro-surgical techniques for re-implantation of severed limbs, fingers, and toes by Chinese surgeons has generated great interest in the American medical community.

G. XINJIANG (SINKIANG): STRATEGIC BORDERLAND AND LAND OF MANY NATIONALITIES

The Xinjiang Uygur (Sinkiang Uighur) Autonomous Region, located in far northwest China, is the nation's largest province, comprising one-sixth of the total land area. Because of its size, resources and location, Xinjiang is of great geopolitical significance. Its frontier position in relation to the main population centers of China; its 3,100 miles of borders with the Soviet Union, India, Afghanistan, Pakistan and Mongolia; the Karamai oil field; the nuclear test site at Lop Nor; the presence of many non-Han nationalities, some of which spread across the border into the Soviet Union; the history of Soviet efforts to exert influence or control in this region in the past; and the richness of still undeveloped mineral resources all combine to make this an area worth special mention. I visited Xinjiang for a week.

The province is divided from East to West by the Tienshan mountain range. The Dzungarian basin to the north receives summer rainfall and is ideal for grazing land. There is also a great deal of irrigated farm land. I visited the capital, Urumqi (Urumchi), Shih Hotzu and the Turpan (Turfan) Depression in the central part of the Region. South of the Tienshan range, the Tarim Basin contains Takla Makan, one of the driest deserts in the world. Normal farming is carried on in small oases along the mountain escarpment in the south and around the other margins of the basin. In the southwest are the Pamir mountains called the "Roof of the World." The vast expanses of mountain and desert in the Region are inhospitable to settlement by large numbers of people. Nevertheless, about eleven million now inhabit the region and the total is rising due both to indigenous population growth and an influx of Han from other parts of China.

There have been incidents along the border with the Soviet Union from time to time and Soviet agents penetrate occasionally, but at present the border is relatively calm. However, military preparations are constant in the region and officials are confident of their ability to deal with any threat.

Traditionally Xinjiang's economy has been based on agriculture and herding. The Region's livestock includes one-fourth of China's sheep, yielding more than 60% of the nation's wool. State farms, whose paid employees are often Han Chinese from outside, occupy about 35 percent of the cultivated land and produce more than a quarter of the grain. Five hundred state farms, engaging in agriculture,

animal husbandry and afforestation, have been set up by the central government. Grain and cotton are important crops. Others include potatoes and the famed fruit of Xinjiang, melons, grapes, peaches and apricots. Grain production, I was informed, has tripled over that of 1949, cotton has multiplied nine times since then, and livestock has more than doubled. Irrigation is vital to agriculture and numerous wells have been sunk and ingenious canals built to carry snow runoff from the mountains. Much of the massive winter-spring drives to improve farmland consist of clearing stony areas, converting desert areas into cropland, and expanding irrigation works. Before 1949 there was such little industry, local officials said, that even matches and nails had to be brought in from the outside. Now hundreds of factories and other installations produce iron, steel, coal, petroleum, electricity, nonferrous metals, machinery, leather, chemicals, textiles and food products. Available data show that in 1975 steel production was five times that of 1955, oil output double 1965, and fertilizer output eleven times that of 1965. Total industrial production in 1975 was termed an all time high. Output this year is said to be running ten percent above 1975.

The remoteness of Xinjiang from China's population centers and the scattered nature of its population make adequate transportation critical to development. Railways connect Xinjiang with Beijing (Peking) and 12,000 miles of highway link all parts of the region. Bus service goes to every county. Air service links Urumqi with towns in the region and with the national capital.

The central government, as a deliberate policy, helps develop the region's economy by preferential financing, by encouraging Han from eastern China to migrate there, and by various other means. Xinjiang is authorized to keep all local revenue for its own use and it also receives large subsidies from Beijing (Peking). Between 1955 and 1974 these subsidies amounted to 53% of the region's total revenue. The accelerated development policy for Xinjiang has a double aim: to strengthen the region as a national defense measure, and to integrate the local nationalities into Chinese life by allowing them to share the fruits of improving standards of living.

In my last report I described the general status of minorities in China, pointing out that non-Han peoples are concentrated in five Autonomous Regions, Nei Mongol (Inner Mongolia), Ningxia Huizu (Ningsia Hui), Xinjiang Uygur (Sinkiang Uighur), Xizang Izhiq (Tibet), and Guangxi Zhuangzu (Kwangsi Chuang). China asserts that it grants equality to all nationalities while simultaneously opposing Han chauvinism and local nationalism. The constitution permits minority nationalities the right of autonomy and under national law an autonomous region can enact supplementary regulations in political, economic, cultural and educational fields in accord with the characteristics, interests and needs of its nationalities.

In Xinjiang the status of the nationalities has many characteristics similar to those described for the areas covered in my earlier report, but there are differences. Historically the races and cultures of Sinkiang have sprung from a blending of many different peoples but today in Xinjiang the following nationality groups are identified. (See also the accompanying map).

Ethnolinguistic Groups

The Uygurs (Uighurs), a Turkic-speaking group, populating the central and southern portions of Xinjiang, have for many years been numerically dominant. The Kazakhs are relatively numerous in the northern and western portion of the region, including areas adjacent to the Soviet and Mongolian borders. Other nationalities are interspersed in the central area and the northern and western borderlands. They include Hui (Chinese Moslem), Mongols, Khalkhas, Kirghiz, Zibo, Manchu, Tadzhik, Russian, Uzbek, Tartar and Tibetan nationality groups. The Han Chinese, who historically were heavily out-numbered by the other nationalities, have entered the Region in large numbers since 1949 and especially since 1960. The influx is continuing and has changed markedly the ethnic balance of the Region. Part of the influx is due to the program sponsored generally through-

out China for "educated" youth "to go to the countryside, to the mountains and to the borderlands." In Urumqi the following official figures showed the distribution of population in the Region in 1975:

Nationality group:	*Percentage of region's total population*
Uygur (Uighur)	45.7
Han	41.4
Kazakh	6.4
Hui	4.1
Mongol	0.9
Khalkhas	0.5
Zibo	0.2
Tadzhik	0.2
Others	0.3

This breakdown shows the Uygurs as still the most numerous group. But it would not be surprising, if the inflow of Hans continues at the rate of recent years, that they would soon become the majority group in the Region. However, there is no indication that Han ethnic dominance would have adverse political or economic effects on the other nationalities. On the contrary, it appears that all nationalities in Xinjiang have benefitted without discrimination from the progress achieved in the past quarter of a century. Before 1949, the culture of the nationalities was on the verge of extinction, with illiteracy immense, the level of living very low and conflict among the groups not uncommon. The nationalities seem now to live in harmony and to benefit equally from the Region's economic progress. Certainly my observations in Urumqi, Shih-ho-tzu, and Turpan, lead me to believe that the various nationalities do intermingle, live and work together peacefully and without discernible discrimination. Cultural differences are outwardly most evident in the dress of some non-Han nationalities, particularly the women. Their colorful garb contrasts sharply with the standard blue and green clothing worn by the Han. I was told that the nationalities intermarry and from my visual impression of racial mixtures, this would seem to be true. In the sensitive matter of birth control, the PRC does not direct its program at the minority nationalities; in fact, it encourages large families and permits marriage at an age earlier than that applicable to the Han.

Use of their own languages by the nationalities, as guaranteed in the national constitution, is implemented in Xinjiang for four national groups. The Han, Uygur, Kazakh, and Mongolian languages are in use in local schools, publications, and radio. To illustrate, signs in Urumqi were in both Uygur and Han and the regional daily newspaper is published in all four languages. In the Number Five Municipal Primary School in Urumqi, for example, there were separate classes for the Uygur and the Han students, with each group being taught the other's language as a second language. One of the results of this practice is that many of the minority nationals are bilingual and some are trilingual. At Turpan, however, the leaders who received me did not understand Han and we communicated by an interpretation of Uygur to Han to English and back again. At the university level I was told that Han prevails although some classes are conducted in other languages.

One reform that I have not been able to evaluate is the recent introduction of the Latinized alphabet for Uygur and Kazakh. A new alphabet is also being prepared for Mongolian. The Latinized alpha-

bet is a substitute for older Arabic scripts and is one part of a general movement for language reform throughout China. Since Latinization is based on the new Chinese phonetic system, the result has been characterized as two new languages capable of being understood and easily learned by both the nationalities and the Han. Another result would be the creation of a written linguistic barrier between members of the same nationality groups now separated by the closed Soviet-Chinese border. The new alphabet is in use, but only about half the school children have learned it and many adults have not yet received instruction.

The governing body of Xinjiang is authorized to organize local public security forces, manage local finance, and enact legal regulations but it is still subject to central government control in administration, planning, military, educational and propaganda matters as are other Chinese provinces. The local government may draw up statutes and regulations, but they can be vetoed by the Standing Committee of the National People's Congress (NPC) in Beijing (Peking). The national minorities of Xinjiang, however, are represented in the NPC. It was reported in 1975 that 67 percent of Xinjiang's deputies to the NPC were from minorities. The Standing Committee of the People's Congress has three members from Sinkiang's minorities. Minorities were also represented substantially among the members of the regional, county and municipal governing bodies whom I met in Xinjiang. In fact, Chinese sources say that minority nationalities occupy the majority of seats in Xinjiang's People's Congress and revolutionary committees at all levels. An indication of the political status of the nationalities is their participation in the Party. Saifudin, a Uygur, is First Secretary of the Region's Communist Party, an Alternate Member of the Politburo of the Chinese Communist Party, Chairman of the Region's Revolutionary Committee, and the Political Commissar of the Xinjiang Military Region. Although absolute figures were not available to me, I was told that the number of minorities in the regional party has increased sixteen times since 1955. Clearly, the authorities desire to demonstrate that the minorities enjoy a substantial slice of political power.

VI. Concluding Comments

China is a vast land of talented and industrious people, with a rich recorded history going back more than three thousand years. It is old. We are young. There is much that we can learn from one another. The beginning of wisdom is to understand how little we know. The track record of the China "experts" in the post-1949 period leaves much to be desired. Moreover, concentration on China's leadership struggles has, unfortunately, distracted attention from the all-important fact that the immense power of China's people and resources has been harnessed as never before in history.

We are vastly different countries in our culture, language, political ideology, and in the way we view ourselves and the outside world. We have a tendency to fluctuate to extreme attitudes towards the Chinese as with other people abroad. Having reestablished friendly contact we need not go overboard on China. The Chinese have no need for it; nor do we.

Nor should Chinese society be judged by American standards. It is a disciplined society with its people subjected to unremitting propaganda from an all-pervasive party-government apparatus. Westerners note the absence of individual freedoms in China and the subservience to an all-powerful state. On the other hand, the Chinese see our society as wasteful and disorganized. In fact, present conditions in the two nations are so different that to compare the two is to compare apples and oranges.

To weigh the United States-China relationship in a reasonable context, Americans must look at common interests, not at our differences. That is what has brought the two countries together, almost in spite of themselves, in an official but unorthodox relationship.

We are both greatly concerned about the Soviet Union and its intentions.

We both have a need for better mutual understanding to avoid future miscalculations.

We have a common interest in the moderation of tensions in Asia and in seeing that the nations in the area remain free of domination by outside powers.

We both desire a viable Japan free of the danger of militarism.

We both seek a better world for the future generations in our respective countries.

The initial stage of China's revolution against warlordism, corruption, and outside domination was concluded twenty-seven years ago. "When people are poor, they will work harder for change; when people are oppressed they will strive for revolution. Two hundred years ago your people also understood such experiences," a leader in Shanghai said to me.

For more than two decades the United States closed its official mind to China and the channels of effective communication between the two nations were blocked. The consequences of this period of know-nothingness still linger. Miscalculations about China may well have been the main factor in the involvement of the United States in two major wars in Asia in a single generation. Pressures are at work which could cause another major miscalculation over Taiwan.

The national interest is deeply involved, in my judgment, in moving without further delay to settle the Taiwan problem. Gambling for more time? For what? Further delay could well prove to be another in the long series of disastrous miscalculations which have afflicted U.S. foreign policy in Asia since World War II. Solving this problem will put the United States in a unique position in the triangular relationship. If we act more wisely than in the past, we will act now, not on the basis of emotional catch-phrases, but on the basis of rational contemporary American interests in the Western Pacific. Fundamental to the safeguarding of these interests, is an open diplomatic door between the government of what will soon be a billion Chinese, organized in a dynamic technological state, and the government of the people of the United States.

APPENDIXES

APPENDIX A

CHRONOLOGY OF THE VISIT TO THE PEOPLE'S REPUBLIC OF CHINA, SEPTEMBER 21–OCTOBER 12, 1976

Tuesday, September 21, 1976

Morning: Arrived Shanghai by air from Guam. Received by representatives of the Chinese People's Institute of Foreign Affairs who outlined itinerary and accompanied the mission throughout the visit.

Afternoon: Travelled by train to Wuxi (Wu-hsi). Given boat tour of Lake Tai-hu.

Wednesday, September 22, 1976

All day: Visited Hua-hsi Brigade, a model farm near Wuxi (Wu-hsi).

Thursday, September 23, 1976

Morning: Left Wuxi (Wu-hsi) by train. Arrived Nanjing (Nanking).

Afternoon: Toured Yangtze River aboard a People's Liberation Army boat. Visited and was briefed on Yangtze River Bridge. Visited mausoleum of Dr. Sun Yet-Sen.

Friday, September 24, 1976

Morning: Visited Nanjing (Nanking) Teachers College. Observed various class demonstrations and performances by students.

Afternoon: Left Nanjing (Nanking) by commercial airline (CAAC). Arrived Beijing (Peking).

Evening: Briefed at U.S. Liaison Office by Ambassador Thomas Gates and staff.

Saturday, September 25, 1976

Morning: Left Beijing (Peking) by CAAC. Arrived Urumqi (Urumchi), capital of Xinjiang Uygur (Sinkiang Uighur) Autonomous Region. Received and briefed by representatives of Revolutionary Committee of region.

Afternoon: Visited the Exhibition of the Twentieth Anniversary of the Founding of Xinjiang Uygur (Sinkiang Uighur) Autonomous Region.

Sunday, September 26, 1976

Morning: Left Urumqi (Urumchi) by auto. Arrived Shih Ho-tzu.

Afternoon. Visited August First Woolen Mill and August First Sugar Refinery.

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Monday, September 27, 1976

Morning: Visited Number 143 State Farm.

Afternoon: Conversation with "educated youth." Departed Shih Ho-tzu by auto.

Evening: Arrived Urumqui (Urumchi).

Tuesday, September 28, 1976

Morning: Visited July First Cotton Textile Mill.

Afternoon: Visited the Exhibition of Historic and Archaelogical Finds of Xinjiang Uygur (Sinkiang Uighur) Antonomous Region.

Evening: Toured department store in Urumqi (Urumchi).

Wednesday, September 29, 1976

Morning: Departed Urumqi (Urumchi) by auto.

Afternoon: Arrived Turpan (Turfan). Briefed by the Vice Chairman of the Revoluntionary Committee of Turpan (Turfan) County. Visited Five Star Commune.

Thursday, September 30, 1976

Morning: Visited the ancient ruins of Kaochang City. Visited the Wine and Fruit Factory of Turpan (Turfan).

Afternoon: Visited the Grape Commune in Grape Vine Valley. Left Turpan (Turfan) by auto.

Evening: Arrived Urumqi (Urumchi).

Friday, October 1, 1976

All day: Visited Tien Chih (Heavenly Lake) in the Tienshan Mountains.

Evening: Dinner with officials of the regional Revolutionary Committee in Urumqi (Urumchi).

Saturday, October 2, 1976

Morning: Visited Number 5 Municipal Primary School.

Afternoon: Left Urumqi (Urumchi) by commercial air (CAAC). Arrived Beijing (Peking).

Sunday, October 3, 1976

Morning: Left Beijing (Peking) by commercial air (CAAC).

Afternoon: Arrived Guangzhou (Canton)) after stop over at Hangzhou (Hang-chou). Left for Taishan by auto.

Evening: Arrived at Taishan in Guangdong (Kwangtung) province.

Monday, October 4, 1976

Morning: Visited the Yunghe Production Team, Nanyang Production Brigade, Tuanfen Peoples Commune, in an area from which in the past many Chinese have emigrated to the United States.

Afternoon: Visited the Number One Farm Machinery Factory and the Taishan Porcelain Factory.

Evening: Attended volley ball games played by Taishan championship women's and men's teams.

Tuesday, October 5, 1976

Morning: Left Taishan by auto for Hsinhui. Enroute inspected the hydro-electric project in the Kutou Mountains.

Afternoon: Arrived Hsinhui. Visited the Hsinhui Farm Machinery Factory and the Artistic Palm Products Factory.

Evening: Attended training demonstration by young people's swimming school.

Wednesday, October 6, 1976

Morning: Left Hsinhui by auto.

Afternoon: Arrived Guangzhou (Canton). Left Guangzhou (Canton) by air for Beijing (Peking).

Evening: Arrived Beijing (Peking).

Thursday, October 7, 1976

Morning: Met with Ambassador Youde, British Ambassador to the People's Republic of China.

Afternoon: Met with Vice Foreign Minister Wang Hai-jung.

Evening: Informal dinner with Madam Vice Foreign Minister and Dr. Chou Pei-yuan, Vice Director, Chinese People's Institute of Foreign Affairs.

Friday, October 8, 1976

Morning: Visited the Great Wall and Ming Tombs.

Afternoon: Met with Dr. George Hatem.

Evening: Attended dinner hosted by Mr. David Dean, acting head of the U.S. Liaison Office in the absence of Ambassador Gates.

Saturday, October 9, 1976

Morning: Visited May Seventh Cadre School for Eastern District of Beijing (Peking).

Afternoon: Met with Vice-Premier Li Hsien-nien in the Great Hall of the People.

Sunday, October 10, 1976

Morning: Traveled from Beijing (Peking) to Shanghai by commercial air (CAAC).

Afternoon: Visited Tienshan Workers New Residential Area.

Evening: Attended dinner hosted by Feng Kuo-chu, Vice Chairman of Municipal Revolutionary Committee of Shanghai.

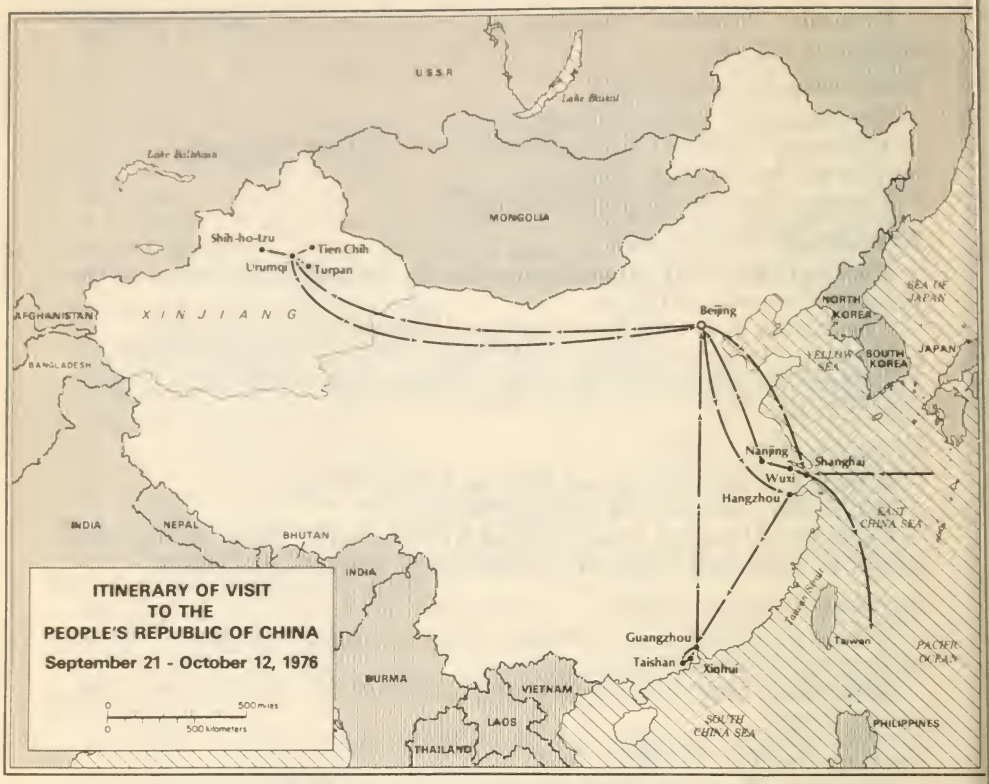
Monday, October 11, 1976

Morning: Visited and observed acupuncture anasthesia surgery performed in Huashan Hospital of Shanghai. Some members of mission visited Shanghai Turbo-generator Factory in Minhang.

Evening: Hosted dinner for escorts from Chinese People's Institute of Foreign Affairs.

Tuesday, October 12, 1976

Morning: After inspection of central city of Shanghai departed China by air.


USSR
Lake Baikal
MONGOLIA
Shih-ho-tzu
Tien Chih
Urumqi
Turpan
AFGHANISTAN
XINJIANG
BANGLADESH
Beijing
NORTH KOREA
SEA OF JAPAN
YELLOW SEA
SOUTH KOREA
JAPAN
Nanjing
Shanghai
Wuxi
Hangzhou
EAST CHINA SEA
INDIA
NEPAL
BHUTAN
INDIA
ITINERARY OF VISIT
TO THE
PEOPLE'S REPUBLIC OF CHINA
September 21 - October 12, 1976
0 500 miles
0 500 kilometers
Guangzhou
Taishan
Xinhui
Taiwan
PACIFIC OCEAN
BURMA
VIETNAM
LAOS
THAILAND
SOUTH CHINA SEA
PHILIPPINES

APPENDIX B

MUTUAL DEFENSE TREATY BETWEEN THE UNITED STATES OF AMERICA AND THE REPUBLIC OF CHINA

Signed at Washington December 2, 1954; Ratification advised by the Senate of the United States of American February 9, 1955; Ratified by the President of the United States of America February 11, 1955; Ratified by the Republic of China February 15, 1955; Ratifications exchanged at Taipei March 3, 1955; Proclaimed by the President of the United States of America April 1, 1955; Entered into force March 3, 1955

The Parties to this Treaty,

Reaffirming their faith in the purposes and principles of the Charter of the United Nations and their desire to live in peace with all peoples and all Governments, and desiring to strengthen the fabric of peace in the West Pacific Area,

Recalling with mutual pride the relationship which brought their two peoples together in a common bond of sympathy and mutual ideals to fight side by side against imperialist aggression during the last war,

Desiring to declare publicly and formally their sense of unity and their common determinations to defend themselves against external armed attack, so that no potential aggressor could be under the illusion that either of them stands alone in the West Pacific Area, and

Desiring further to strengthen their present efforts for collective defense for the preservation of peace and security pending the development of a more comprehensive system of regional security in the West Pacific Area,

Have agreed as follows:

ARTICLE I

The Parties undertake, as set forth in the Charter of the United Nations, to settle any international dispute in which they may be involved by peaceful means in such a manner that international peace, security and justice are not endangered and to refrain in their international relations from the threat or use of force in any manner inconsistent with the purposes of the United Nations.

ARTICLE II

In order more effectively to achieve the objective of this Treaty, the Parties separately and jointly by self-help and mutual aid will maintain and develop their individual and collective capacity to resist armed attack and communist subversive activities directed from without against their territorial integrity and political stability.

ARTICLE III

The Parties undertake to strengthen their free institutions and to cooperate with each other in the development of economic progress and social well-being and to further their individual and collective efforts towards these ends.

ARTICLE IV

The Parties, through their Foreign Ministers or their deputies, will consult together from time to time regarding the implementation of this Treaty.

ARTICLE V

Each Party recognizes than an armed attack in the West Pacific Area directed against the territories of either of the Parties would be dangerous to its own peace and safety and declares that it would act to meet the common danger in accordance with its constitutional processes.

Any such armed attack and all measures taken as a result thereof shall be immediately reported to the Security Council of the United Nations. Such measures shall be terminated when the Security Council has taken the measures necessary to restore and maintain international peace and security.

ARTICLE VI

For the purposes of Articles II and V, the terms "territorial" and "territories" shall mean in respect of the Republic of China, Taiwan and the Pescadores; and in respect of the United States of America, the island territories in the West Pacific under its jurisdiction. The provisions of Articles II and V will be applicable to such other territories as may be determined by mutual agreement.

ARTICLE VII

The Government of the Republic of China grants, and the Government of the United States of America accepts, the right to dispose such United States land, air and sea forces in and about Taiwan and the Pescadores as may be required for their defense, as determined by mutual agreement.

ARTICLE VIII

This Treaty does not affect and shall not be interpreted as affecting in any way the rights and obligations of the Parties under the Charter of the United Nations or the responsibility of the United Nations for the maintenance of international peace and security.

ARTICLE IX

This Treaty shall be ratified by the United States of America and the Republic of China in accordance with their respective constitutional processes and will come into force when instruments of ratification thereof have been exchanged by them at Taipei.

ARTICLE X

This Treaty shall remain in force indefinitely. Either Party may terminate it one year after notice has been given to the other Party.

Statements by and Exchange of Notes Between Secretary of State John Foster Dulles and Foreign Minister George K. C. Yeh Upon the Occasion of the Signing of the Mutual Defense Treaty Between the United States of America and the Republic of China at Washington

STATEMENTS MADE DECEMBER 2, 1954

Secretary Dulles:

It is a great pleasure to welcome Foreign Minister Yeh, Ambassador Koo, and the members of his staff here this afternoon for the signing of this Mutual Defense Treaty between the United States and the Republic of China. I wholly concur in what President Chiang Kai-shek said in his message to me yesterday, that " a necessary link in the chain of Far Eastern defense has now been forged." It is my hope that the signing of this Defense Treaty will put to rest once and for all rumors and reports that the United States will in any manner agree to the abandonment of Formosa and the Pescadores to Communist control. The signing of this treaty is not only an expression of the good will and friendship existing between the Governments of the United States and of Free China, but also of the abiding friendship of the people of the United States for the Chinese people.

Foreign Minister Yeh:

It has been my privilege and honor to be associated with Mr. Dulles in the making and signing of this Treaty of Mutual Defense between my country and the United States of America. I am happy to recall that throughout the negotiations for this treaty, conducted at Taipei and Washington, we have been guided by the principle of mutuality and the spirit of friendly cooperation.

It is the hope of my Government that this treaty will serve to promote the common cause of freedom, particularly at this juncture of the world situation.

EXCHANGE OF NOTES

DEPARTMENT OF STATE,
Washington, December 10, 1954.

His Excellency GEORGE K. C. YEH,
Minister of Foreign Affairs of the Republic of China.

EXCELLENCY: I have the honor to refer to recent conversations between representatives of our two Governments and to confirm the understandings reached as a result of those conversations, as follows:

The Republic of China effectively controls both the territory described in Article VI of the Treaty of Mutual Defenes between the Republic of China and the United States of America signed on December 2, 1954, at Washington and other territory. It possesses with respect to all territory now and hereafter under its control the inherent right of self-defense. In view of the obligations of the two Parties under the said Treaty, and of the fact that the use of force from either of these areas by either of the Parties affects the other, it is agreed that such use of force will be a matter of joint agreement, subject to action of an emergency character which is clearly an exercise of the inherent right of self-defense. Military elements which are a product of joint effort and contribution by the two Parties will not be removed from the territories described in Article VI to a degree which would substantially diminish the defensibility of such territories without mutual agreement.

Accept, Excellency, the assurances of my highest consideration.

/s/ JOHN FOSTER DULLES,
Secretary of State of the United States of America.

DECEMBER 10, 1954.

His Excellency JOHN FOSTER DULLES,
Secretary of State of the United States of America.

EXCELLENCY: I have the honor to acknowledge the receipt or Your Excellency's Note of today's date, which reads as follows:

> "I have the honor to refer to recent conversations between representatives of our two Governments and to confirm the understandings reached as a result of those conversations, as follows:
>
> "The Republic of China effectively controls both the territory described in Article VI of the Treaty of Mutual Defense between the Republic of China and the United States of America signed on December 2, 1954, at Washington and other territory. It possesses with respect to all territory now and hereafter under its control the inherent right of self-defense. In view of the obligations of the two Parties under the said Treaty and of the fact that the use of force from either of these areas by either of the Parties affects the other, it is agreed that such use of force will be a matter of joint agreement, subject to action of an emergency character which is clearly an exercise of the inherent right of self-defense. Military elements which are a product of joint effort and contribution by the two Parties will not be removed from the territories described in Article VI to a degree which would substantially diminish the defensibility of such territories without mutual agreement."

I have the honor to confirm, on behalf of my Government, the understanding set forth in Your Excellency's Note under reply.

I avail myself of this opportunity to convey to Your Excellency the assurances of my highest consideration.

GEORGE K. C. YEH,
Minister for Foreign Affairs of the Republic of China.

APPENDIX C

TEXT OF PROPOSALS DURING 1955–56 NEGOTIATIONS CONCERNING THE RENUNCIATION OF FORCE

1. United States Statement and Proposal on Renunciation of Force, October 8, 1955

One of the practical matters for discussion between us is that each of us should renounce the use of force to achieve our policies when they conflict. The United States and the PRC [People's Republic of China] confront each other with policies which are in certain respects incompatible. This fact need not, however, mean armed conflict, and the most important single thing we can do is first of all to be sure that it will not lead to armed conflict.

Then and only then can other matters causing tension between the parties in the Taiwan area and the Far East be hopefully discussed.

It is not suggested that either of us should renounce any policy objectives which we consider we are legitimately entitled to achieve, but only that we renounce the use of force to implement these policies.

Neither of us wants to negotiate under the threat of force. The free discussion of differences, and their fair and equitable solution, become impossible under the overhanging threat that force may be resorted to when one party does not agree with the other.

The United States as a member of the United Nations has agreed to refrain in its international relations from the threat or use of force. This has been its policy for many years and is its guiding principle of conduct in the Far East, as throughout the world.

The use of force to achieve national objectives does not accord with accepted standards of conduct under international law.

The Covenant of the League of Nations, the Kellogg-Briand Treaties, and the Charter of the United Nations reflect the universal view of the civilized community of nations that the use of force as an instrument of national policy violates international law, constitutes a threat to international peace, and prejudices the interests of the entire world community.

There are in the world today many situations which tempt those who have force to use it to achieve what they believe to be legitimate policy objectives. Many countries are abnormally divided or contain what some consider to be abnormal intrusions. Nevertheless, the responsible governments of the world have in each of these cases renounced the use of force to achieve what they believe to be legitimate and even urgent goals.

It is an essential foundation and preliminary to the success of the discussions under Item 2 that it first be made clear that the parties to these discussions renounce the use of force to make the policies of either prevail over those of the other. That particularly applies to the Taiwan area.

The acceptance of this principle does not involve third parties, or the justice or injustice of conflicting claims. It only involves recognizing and agreeing to abide by accepted standards of international conduct.

We ask, therefore, as a first matter for discussion under Item 2, a declaration that your side will not resort to the use of force in the Taiwan area except defensively. The United States would be prepared to make a corresponding declaration. These declarations will make it appropriate for us to pass on to the discussion of other matters with a better hope of coming to constructive conclusions.

2. Chinese Draft Declaration on Renunciation of Force, October 27, 1955

1. Ambassador Wang Ping-nan on behalf of the Government of the People's Republic of China and Ambassador U. Alexis Johnson on behalf of the Government of the United States of America jointly declare that,

2. In accordance with Article 2, Paragraph 3, of the Charter of the United Nations, "All members shall settle their international disputes by peaceful means in such a manner that international peace and security, and justice, are not endangered"; and

3. In accordance with Article 2, Paragraph 4 of the Charter of the United Nations, "All members shall refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any state, or in any other manner inconsistent with the purposes of the United Nations";

4. The People's Republic of China and the United States of America agree that they should settle disputes between their two countries by peaceful means without resorting to the threat or use of force.

5. In order to realize their common desire, the People's Republic of China and the United States of America decide to hold a conference of Foreign Ministers to settle through negotiations the question of relaxing and eliminating the tension in Taiwan area.

3. United States Draft Declaration on Renunciation of Force, November 10, 1955

1. The Ambassador of the United States of America and the Ambassador of the People's Republic of China during the course of the discussions of practical matters at issue have expressed the determination that the differences between the two sides shall not lead to armed conflict.

2. They recognize that the use of force to achieve national objectives does not accord with the principles and purposes of the United Nations Charter or with generally accepted standards of international conduct.

3. They furthermore recognize that the renunciation of the threat or use of force is essential to the just settlement of disputes or situations which might lead to a breach of the peace.

Therefore, without prejudice to the pursuit by each side of its policies by peaceful means they have agreed to announce the following declarations:

5. Ambassador Wang Ping-nan informed Ambassador U. Alexis Johnson that:

6. In general, and with particular reference to the Taiwan area, the People's Republic of China renounces the use of force, except in individual and collective self-defense.

7. Ambassador U. Alexis Johnson informed Ambassador Wang Ping-nan that:

8. In general, and with particular reference to the Taiwan area, the United States renounces the use of force, except in individual and collective self-defense.

4. Chinese Draft Counterproposal for an Agreed Announcement, December 1, 1955

1. Ambassador Wang Ping-nan, on behalf of the Government of the People's Republic of China, and Ambassador Alexis Johnson, on behalf of the Government of the United States of America, agree to announce:

2. The People's Republic of China and the United States of America are determined that they should settle disputes between their two countries through peaceful negotiations without resorting to the threat or use of force;

3. The two Ambassadors should continue their talks to seek practical and feasible means for the realization of this common desire.

5. United States Revision of Chinese December 1 Counterproposal, January 12, 1956

1. Ambassador Wang Ping-nan, on behalf of the Government of the People's Republic of China, and Ambassador U. Alexis Johnson, on behalf of the Government of the United States of America, agree to announce:

2. The People's Republic of China and the United States of America are determined that they will settle disputes between them through peaceful means and that, without prejudice to the inherent right of individual and colelctive self-defense, they will not resort to the threat or use of force in the Taiwan area or elsewhere.

3. The two Ambassadors should continue their talks to seek practical and feasible means for the realization of this common desire.

6. United States Draft Proposal for Announcement of April 19, 1956

1. Ambassador U. Alexis Johnson, on behalf of the Government of the United States of America, and Ambassador Wang Ping-nan, on behalf of the Government of the People's Republic of China, agree, without prejudice to the pursuit by each side of its policies by peaceful means or its inherent right of individual or collective self-defense, to announce:

2. The United States of America and the People's Republic of China are determined that they should settle disputes between their two countries through peaceful negotiations without resorting to the threat or use of force in the Taiwan area or elsewhere.

3. The two Ambassadors should continue their talks to seek practical and feasible means for the realization of this common desire.

7. Chinese Draft Counterproposal for an Agreed Announcement, May 11, 1956

1. Ambassador Wang Pin-nan, on behalf of the Government of the People's Republic of China, and Ambassador U. Alexis Johnson, on behalf of the Government of the United States of America, agree, without prejudice to the principles of mutual respect for territorial integrity and sovereignty and non-interference in each other's internal affairs, to announce:

2. The People's Republic of China and the United States of America are determined that they should settle disputes between their two countries in the Taiwan area through peaceful negotiations without resorting to the threat or use of force against each other;

3. The two ambassadors should continue their talks to seek and to ascertain within two months practical and feasible means for the realization of this common desire, including the holding of a Sino-American conference of the foreign ministers, and to make specific arrangements.

Sources: 1–5. Department of State Bulletin, Jan. 30, 1956, pp. 166–167.
6. Department of State Bulletin, June 25, 1956, p. 1070.
7. New China News Agency Bulletin No. 1579, June 13, 1956, pp. 7–8.

APPENDIX D

DIPLOMATIC RELATIONS OF THE REPUBLIC OF CHINA AND THE PEOPLE'S REPUBLIC OF CHINA

As of August 30, 1976, 26 countries have diplomatic relations with the Republic of China and 110 have established or have announced establishment of diplomatic relations with the People's Republic of China. A list of the countries which recognize and/or have official relations with the two governments follows:

1. Republic of China

A. COUNTRIES HAVING DIPLOMATIC RELATIONS WITH THE REPUBLIC OF CHINA (ROC) (26)

Barbados
Bolivia
Colombia
Costa Rica
Dominican Republic
El Salvador
Guatemala
Haiti
Holy See
Honduras
Ivory Coast
Jordan
Republic of Korea
Lesotho
Liberia
Libya [1]
Malawi
Nicaragua
Panama
Paraguay
Saudi Arabia
South Africa (April 1976)
Swaziland
Tonga (April 1972)
United States
Uruguay

B. COUNTRIES HAVING CONSULAR RELATIONS ONLY WITH THE REPUBLIC OF CHINA (1)

Nauru (August 1975)

2. People's Republic of China

A. COUNTRIES HAVING DIPLOMATIC RELATIONS WITH THE PEOPLE'S REPUBLIC OF CHINA (PRC) (110), WITH DATE OF THE ESTABLISHMENT OF RELATIONS

Afghanistan (Jan. 1955)
Albania (Nov. 1949)
Algeria (Sept. 1958 with Provisional Govt.)
Argentina (Feb. 1972)
Australia (Dec. 1972)
Austria (May 1971)
Bangladesh (Oct. 1975)
Belgium (Oct. 1971)
Botswana (Jan. 1975)
Brazil (Aug. 1974)
Bulgaria (Oct. 1949)
Burma (June 1950)
Burundi (resumed Oct. 1971)

[1] Libya has unilaterally announced recognition of the PRC but retains relations with the ROC.

Cambodia (July 1958)
Cameroon (March 1971)
Canada (Oct. 1970)
Cape Verde Islands (April 1976)
Central African Republic (Resumed Aug. 1976)
Chad (Nov. 1972)
Chile (Dec. 1970)
Comoro Islands (Nov. 1975)
Congo (Brazzaville) (Feb. 1964)
Cuba (Sept. 1960)
Cyprus (Jan. 1972)
Czechoslovakia (Oct. 1949)
Dahomey (resumed Dec. 1972)
Denmark (May 1950)
Egypt (May 1956)
Equatorial Guinea (Oct. 1970)
Ethiopia (Dec. 1970)
Federal Republic of Germany (Oct. 1950)
Fiji Islands (Nov. 1975)
Finland (Oct. 1950)
France (Jan. 1964)
Gabon (March 1974)
Gambia (Dec. 1974)
German Democratic Republic (Oct. 1949)
Ghana (resumed Feb. 1972)
Greece (June 1972)
Guinea (Oct. 1959)
Guinea-Bissau (Sept. 1974)
Guyana (June 1972)
Hungary (Oct. 1949)
Iceland (Dec. 1971)
India (April 1950)
Iran (Aug. 1971)
Iraq (Aug. 1958)
Italy (Nov. 1970)
Jamaica (Nov. 1972)
Japan (Sept. 1972)
Kenya (Dec. 1963)
Kuwait (March 1971)
Laos (Sept. 1962)
Lebanon (Nov. 1971)
Luxembourg (Nov. 1972)
Malagasy Republic (Nov. 1972)
Malaysia (May 1974)
Maldives (Oct. 1972)
Mali (Oct. 1960)
Malta (Jan. 1972)
Mauritania (July 1965)
Mauritius (April 1972)
Mexico (Feb. 1972)
Mongolia (Oct. 1949)
Morocco (Nov. 1958)
Mozambique (June 1975)
Nepal (Aug. 1955)
Netherlands (Nov. 1954)
New Zealand (Dec. 1972)
Niger (July 1974)
Nigeria (Feb. 1971)
North Korea (Oct. 1949)
Norway (Oct. 1954)
Pakistan (May 1951)
Papua New Guinea (Oct. 1976)
People's Democratic Republic of Yemen (Feb. 1968)
Peru (Nov. 1971)
Philippines (June 1975)
Poland (Oct. 1949)
Romania (Oct. 1949)
Rwanda (Nov. 1971)
Sao Tome and Principe (July 1975)
Senegal (Dec. 1971)
Seychelles Islands (June 1976)
Sierra Leone (July 1971)
Somalia (Dec. 1960)
Spain (March 1973)
Sri Lanka (Feb. 1957)
Sudan (Dec. 1958)
Surinam (May 1976)
Sweden (May 1959)
Switzerland (Sept. 1950)
Syria (Aug. 1956)
Tanzania (Oct. 1964)
Thailand (July 1975)
Togo (Sept. 1972)
Trinidad and Tobago (June 1974)
Tunisia (resumed Oct. 1971)
Turkey (Aug. 1971)
Uganda (Oct. 1962)
United Kingdom (June 1954)
Upper Volta (Sept. 1973)
USSR (Oct. 1949)
Venezuela (June 1974)
Vietnam (Jan. 1950)[2]
Western Samoa (Nov. 1975)
Yemen Arab Republic (Aug. 1956)
Yugoslavia (Jan. 1955)
Zaire (Nov. 1972)
Zambia (Oct. 1964)

[2] Prior to the formation of the Socialist Republic of Vietnam (July 1976) PRC had separate relations with North Vietnam (Jan. 1950) and the Provisional Revolutionary Government of South Vietnam (June 1969).

B. COUNTRIES HAVING CONSULAR RELATIONS ONLY WITH THE PEOPLE'S REPUBLIC OF CHINA (1), WITH DATE OF ESTABLISHMENT OF RELATIONS

San Marino (May 1971)

C. COUNTRIES WHICH RECOGNIZE, BUT HAVE NO RELATIONS WITH, THE PEOPLE'S REPUBLIC OF CHINA (5), WITH DATE OF RECOGNITION

Bhutan (Oct. 1971)[3]
Portugal (Jan. 1975)
Indonesia (April 1950)
Israel (Jan. 1950)[4]
Libya (June 1971) (See footnote 1, p. 1)

D. COUNTRIES WHICH THE PRC HAS UNILATERALLY RECOGNIZED, BUT HAVE NO RELATIONS WITH THE PRC (2)

Brahamas (July 1973)
Grenada (Feb. 1974)

3. COUNTRIES WHICH NEITHER RECOGNIZE NOR HAVE RELATIONS WITH THE REPUBLIC OF CHINA OR THE PEOPLE'S REPUBLIC OF CHINA (10)

Angola
Bahamas
Bahrain
Ecuador[5]
Grenada
Ireland
Oman
Qatar
Singapore[6]
United Arab Emirates

[3] Recognition based on vote in UN to admit PRC and expel ROC.
[4] Israel has not been recognized by the PRC.
[5] Ecuador has broken relations with the ROC but has not formally recognized the PRC.
[6] Singapore has permitted the ROC to establish a trade mission which also handles consular matters. Singapore does not consider this as recognition and has no mission on Taiwan.

Source: Department of State.

APPENDIX E

SPEECH BY PREMIER CHOU EN-LAI

Report on the Work of the Government

(Delivered on January 13, 1975 at the First Session of the Fourth National People's Congress of the People's Republic of China)

Fellow Deputies!

In accordance with the decision of the Central Committee of the Communist Party of China, I shall make a report on behalf of the State Council to the Fourth National People's Congress on the work of the government.

Since the Third National People's Congress, the most important event in the political life of the people of all nationalities in our country has been the Great Proletarian Cultural Revolution personally initiated and led by our great leader Chairman Mao. In essence this is a great political revolution carried out by the proletariat against the bourgeoisie and all other exploiting classes. It destroyed the bourgeois headquarters of Liu Shaochi and of Lin Piao and smashed their plots to restore capitalism. The current nation-wide movement to criticize Lin Piao and Confucius is the continuation and deepening of this great revolution. The victory of the Great Proletarian Cultural Revolution has consolidated the dictatorship of the proletariat in our country, promoted socialist construction and ensured that our country would stand on the side of the oppressed people and oppressed nations of the world. The cultural revolution has provided new experience on continuing the revolution under the dictatorship of the proletariat; its historical significance is great and its influence far-reaching.

In the course of the Great Proletarian Cultural Revolution and the movement to criticize Lin Piao and Confucius, our people of all nationalities have unfolded a mass movement to study Marxism-Leninism-Mao Tsetung Thought and thus heightened their awareness of class struggle and the struggle between the two lines, and struggle-criticism-transformation in the superstructure has achieved major successes. The three-in-one revolutionary committees composed of the old, the middle-aged and the young have forged closer links with the masses. Successors to the cause of the proletarian revolution are maturing in large numbers. The proletarian revolution in literature and art exemplified by the model revolutionary theatrical works is developing in depth. The revolution in education and in health work is thriving. The cadres and the workers, peasants, soldiers, students and commercial workers are perservering on the May 7th road. Over a million barefoot doctors are becoming more competent. Nearly ten million school graduates have gone to mountainous and other rural areas. With

the participation of workers, peasants and soldiers the Marxist theoretical contingents are expanding. The emergence of all these new things has strengthened the all-round dictatorship of the proletariat over the bourgeoisie in the realm of the superstructure, and this further helps consolidate and develop the socialist economic base.

We have overfulfilled the Third Five-Year Plan and will successfully fulfill the Fourth Five-Year Plan in 1975. Our country has won good harvests for thirteen years running. The total value of agricultural output for 1974 is estimated to be 51 per cent higher than that for 1964. This fully demonstrates the superiority of the people's commune. While China's population has increased 60 per cent since the liberation of the country, grain output has increased 140 per cent and cotton 470 per cent. In a country like ours with a population of nearly 800 million, we have succeeded in ensuring the people their basic needs in food and clothing. Gross industrial output for 1974 is estimated to be 190 per cent more than 1964, and the output of major products has greatly increased. Steel has increased 120 per cent, coal 91 per cent, petroleum 650 per cent, electric power, 200 per cent, chemical fertilizer 330 per cent, tractors 520 per cent, cotton yarn 85 per cent and chemical fibres 330 per cent. Through our own efforts in these ten years we have completed 1,100 big and medium-sized projects, successfully carried out hydrogen bomb tests and launched man-made earth satellites. In contrast to the economic turmoil and inflation in the capitalist world, we have maintained a balance between our national revenue and expenditure and contracted to external or internal debts. Prices have remained stable, the people's livelihood has steadily improved and socialist construction has flourished. Reactionaries at home and abroad asserted that the Great Proletarian Cultural Revolution would certainly disrupt the development of our national economy, but facts have now given them a strong rebuttal.

Along with the people of other countries, we have won tremendous victories in the struggle against colonialism and imperialism, and in particular against the hegemonism of the superpowers. We have smashed imperalist and social-imperialist encirclement, blockade, aggression and subversion, and have strengthened our unity with the people of all countries, and especially the third world countries. China's seat in the United Nations, of which she had long been illegally deprived, has been restored to her. The number of countries having diplomatic relations with us has increased to nearly 100, and more than 150 countries and regions have economic and trade relations and cultural exchanges with us. Our struggle has won widespread sympathy and support from the people of all countries. We have friends all over the world.

Tempered in the Great Proletarian Cultural Revolution and the movement to criticize Lin Piao and Confucius, our people of all nationalities are more united and our army has grown stronger. Our great motherland is still more consolidated. All our successes are great victories for Marxism-Leninism-Mao Tsetung Thought and for Chairman Mao's revolutionary line.

Fellow Deputies!

The Tenth National Congress of our Party again elucidated the Party's basic line and policies formulated by Chairman Mao for the entire historical period of socialism, and pointed out even more clearly

the orientation for continuing the revolution under the dictatorship of the proletariat. Under the leadership of the Party Central Committee headed by Chairman Mao, the people of all our nationalities should unite still more closely, adhere to the Party's basic line and policies, endeavour to fulfill the various fighting tasks set forth by the Party's Tenth Congress, consolidate and enhance the victories of the Great Proletarian Cultural Revolution and strive for new victories in socialist revolution and socialist construction.

Our primary task is to continue to broaden, deepen and persevere in the movement to criticize Lin Piao and Confucius. The struggle between the two classes, the proletariat and the bourgeoisie, between the two roads, the socialist and the capitalist and between the two lines, the Marxist and the revisionist, is long and tortuous and at times even becomes very acute. We must never relax our criticism of Lin Piao and Confucius because of the big successes already achieved in this movement. We should go on deepening the criticism of Lin Piao's revisionist line and the doctrines of Confucius and Mencius, and in line with the principle of making the past serve the present, sum up the historical experience of the struggle between the Confucian and the Legalist schools and of class struggle as a whole, build up a vast Marxist theoretical force in the course of struggle and use Marxism to occupy all spheres in the superstructure. The key to the fulfilment of this task is for the cadres and the masses to study works by Marx, Engels, Lenin and Stalin and by Chairman Mao assiduously in order to arm themselves with the basic theories of Marxism. Through the criticism of Lin Piao and Confucius, we should further advance the revolution in literature and art, in education and in health work, promote struggle-criticism-transformation on various fronts and support all the new things so as the better to keep to the socialist orientation.

Under the leadership of the Party, we should strengthen revolutionary committees at all levels. Leading bodies at all levels should become more conscious of the need to implement Chairman Mao's revolutionary line and should maintain closer ties with the masses. We should make active efforts to train young cadres, women cadres and minority nationality cadres, and make a point of selecting outstanding workers and poor and lower-middle peasants for leading posts. We should have better staff and simpler administration with fewer levels. New and veteran cadres should learn from each other and strengthen their unity, and they should be ready to work at any post, high or low, persist in collective productive labour and wholeheartedly serve the people.

We should strictly distinguish between the two different types of contradictions and handle them correctly, implement the Party's policies conscientiously and ensure that the task of consolidating the dictatorship of the proletariat is fulfilled right through to the grass-roots level. We should rely on the broad masses to deal steady, accurate and hard blows at the handful of class enemies, with the emphasis on accuracy. We should earnestly strive to do well in resolving contradictions among the people with democratic methods in accordance with the principle of unity—criticism and self-criticism—unity, and thus give full play to the masses' enthusiasm for socialism.

The unification of our country, the unity of our people and the unity of our various nationalities—these are the basic guarantees of the sure

triumph of our cause. We should strengthen the great unity of the people of all our nationalities. We should wholeheartedly rely on the working class and the poor and lower-middle peasants, unite with the other working people and the many inellectuals and further develop the revolutionary united front which, led by the working class and based on the worker-peasant alliance, includes the patriotic democratic parties, patriotic personages, patriotic overseas Chinese and our compatriots in Hongkong and Macao. We should unit over 95 per cent of the cadres and the masses and unit with all the forces that can be united with in a joint effort to build our great socialist motherland.

Socialist revoltuion is the powerful engine for developing the social productive forces. We must adhere to the principle of grasping revolution, promoting production and other work and preparedness against war, and with revolution in command, work hard to increase production and speed up socialist construction so that our socialist system will have a more solid material foundation.

On Chairman Mao's instructions, it was suggested in the report on the work of the government to the Third National People's Congress that we might envisage the development of our national economy in two stages beginning from the Third Five-Year Plan: The first stage is to build an independent and relatively comprehensive industrial and economic system in 15 years, that is, before 1980; the second stage is to accomplish the comprehensive modernization of agriculture, industry, national defence and science and technology before the end of the century, so that our national economy will be advancing in the front ranks of the world.

We should fulfill or overfulfill the Fourth Five-Year Plan in 1975 in order to reinforce the foundations for completing the first stage before 1980 as envisaged above. In the light of the situation at home and abroad, the next ten years are crucial for accomplishing what has been envisaged for the two stages. In this period we shall not only build an independent and relatively comprehensive industrial and economic system, but march towards the splendid goal set for the second stage. With this objective in mind, the State Council will draw up a long-range ten-year plan, five-year plans and annual plans. The ministries and commissions under the State Council and the local revolutionary committees at all levels down to the industrial and mining enterprises and production teams and other grass-roots units should all arouse the masses to work out their plans through full discussion and strive to attain our splendid goal ahead of time.

In order to keep on expanding our socialist economy, we must persist in the general line of going all out, aiming high and achieving greater, faster, better and more economical results in building socialism and continue to apply the policy of taking agriculture as the foundation and industry as the leading factor and the series of policies of walking on two legs. We should work out the national economic plan in this order of priorities: agriculture, light industry, heavy industry. We should give full play to the initiative of both central and local authorities under the state's unified planning. We should implement the Charter of the Anshan Iron and Steel Company still better and deepen the mass movements—In industry, learn from Taching and In agriculture, learn from Tachai.

While tackling economic tasks, our leading comrades at all levels must pay close attention to the socialist revolution in the realm of the superstructure and keep a firm grasp on class struggle and the struggle between the two lines. Only when we do well in revolution is it possible to do well in production. We should thoroughly criticize revisionism, criticize capitalist tendencies and criticize such erroneous ideas and styles of work as servility to things foreign, the doctrine of trailing behind at a snail's space, and extravagance and waste.

Chairman Mao points out, "Rely mainly on our own efforts while making external assistance subsidiary, break down blind faith, go in for industry, agriculture and technical and cultural revolutions independently, do away with slavishness, bury dogmatism, learn from the good experience of other countries conscientiously and be sure to study their bad experience too, so as to draw lessons from it. This is our line." This line has enabled us to break the imperialist blockade and withstand social-imperialist pressure, and the progress of our economy has been sound and vigorous all along, regardless of economic fluctuations and crises in the capitalist world. We must always adhere to this line.

Fellow Deputies!

The present international situation is still characterized by great disorder under heaven, a disorder which is growing greater and greater. The capitalist world is facing the most serious economic crisis since the war, and all the basic contradictions in the world are sharpening. On the one hand, the trend of revolution by the people of the world is actively developing; countries want independence, nations want liberation, and the people want revolution—this has become an irresistible historical current. On the other hand, the contention for world hegemony between the two superpowers, the United States and the Soviet Union, is becoming more and more intense. Their contention has extended to every corner of the world, the focus of their contention being Europe. Soviet social-imperialism "makes a feint to the east while attacking in the west." The two superpowers, the United States and the Soviet Union, are the biggest international oppressors and exploiters today, and they are the source of a new world war. Their fierce contention is bound to lead to world war some day. The people of all countries must get prepared. Detente and peace are being talked about everywhere in the world; it is precisely this that shows there is no detente, let alone lasting peace, in this world. At present, the factors for both revolution and war are increasing. Whether war gives rise to revolution or revolution prevents war, in either case the international situation will develop in a direction favourable to the people and the future of the world will be bright.

We should continue to implement Chairman Mao's revolutionary line in foreign affairs, always keep the people in mind, place our hopes on them and do our external work better. We should uphold proletarian internationalism and strengthen our unity with the socialist countries and all the oppressed people and oppressed nations of the world, with

each supporting the other. We should ally ourselves with all the forces in the world that can be allied with to combat colonialism, imperialism and above all superpower hegemonism. We are ready to establish or develop relations with all countries on the basis of the Five Principles of Peaceful Coexistence.

The third world is the main force in combating colonialism, imperialism and hegemonism. China is a developing socialist country belonging to the third world. We should enhance our unity with the countries and people of Asia, Africa and Latin America and resolutely support them in their struggle to win or safeguard national independence, defend their state sovereignty, protect their national resources and develop their national economy. We firmly support the just struggles of the people of Korea, Viet Nam, Cambodia, Laos, Palestine and the Arab countries as well as countries in southern Africa. We support the countries and people of the second world in their struggle against superpower control, threats and bullying. We support the efforts of West European countries to get united in this struggle. We are ready to work together with the Japanese Government and people to promote friendly and good-neighbourly relations between the two countries on the basis of the Sino-Japanese Joint Statement.

There exist fundamental differences between China and the United States. Owing to the joint efforts of both sides the relations between the two countries have improved to some extent in the last three years, and contacts between the two peoples have developed. The relations between the two countries will continue to improve so long as the principles of the Sino-American Shanghai Communique are carried out in earnest.

The Soviet leading clique have betrayed Marxism-Leninism, and our debate with them on matters of principle will go on for a long time. However, we have always held that this debate should not obstruct the maintenance of normal state relations between China and the Soviet Union. The Soviet leadership have taken a series of steps to worsen the relations between the two countries, conducted subversive activities against our country and even provoked armed conflicts on the border. In violation of the understanding reached between the Premiers of China and the Soviet Union as early as 1969, they refuse to sign the agreement on the maintenance of the status quo on the border, the prevention of armed conflicts and the disengagement of the armed forces of the two sides in the disputed areas on the border, an agreement which includes the non-use of force against each other and mutual non-aggression. Hence the negotiations on the Sino-Soviet boundary question have so far yielded no results. They even deny the existence of the disputed areas on the Sino-Soviet border, and they even refuse to do anything about such matters as the disengagement of the armed forces of the two sides in the disputed areas on the border and the prevention of armed conflicts instead they talk profusely about empty treaties on the non-use of force against each other and mutual

non-aggression. So what can their real intention be if not to deceive the Soviet people and world public opinion? We wish to advise the Soviet leadership to sit down and negotiate honestly, do something to solve a bit of the problem and stop playing such deceitful tricks.

Chairman Mao teaches us, "Dig tunnels deep, store grain everywhere, and never seek hegemony." "Be prepared against war, be prepared against natural disasters, and do everything for the people." We should maintain vigilance, strengthen our defence and be prepared against war. The heroic People's Liberation Army shoulders the glorious task of defending the motherland. The whole army should resolutely implement Chairman Mao's line for army building to strengthen the army and enhance preparedness against war. We should build the people's militia conscientiously and well. Together with the people of all our nationalities, the People's Liberation Army and the masses of the people's militia should be ready at all times to wipe out any enemy that dares intrude.

We are determined to liberate Taiwan! Fellow countrymen in Taiwan and people of the whole country, unite and work together to achieve the noble aim of liberating Taiwan and unifying the motherland!

Fellow Deputies!

In the excellent situation prevailing at home and abroad, we should first of all run China's affairs well and strive to make a greater contribution to humanity.

We must bear firmly in mind Chairman Mao's teachings and grasp major issues, grasp the line, and adhere to these fundamental principles, "Practise Marxism, and not revisionism; unite, and don't split; be open and aboveboard, and don't intrigue and conspire."

We must resolutely support the centralized leadership of the Party. Of the seven sectors—industry, agriculture, commerce, culture and education, the Army, the government and the Party—it is the Party that exercises overall leadership. We must put all fields of work under the unified leadership of the Party committees at various levels.

We must carry forward the glorious tradition of observing discipline, conscientiously practise democratic centralism, and, on the basis of Chairman Mao's revolutionary line, achieve unity in thinking, policy, plan, command and action.

We must persist in the mass line: From the masses, to the masses; we must have unshakable faith in the vast majority of the masses and firmly rely on them. Both in revolution and in construction, we should boldly arouse the people and unfold vigorous mass movements.

We must work hard, build the country and run all undertakings with diligence and thrift. We should maintain the same vigour, the same revolutionary enthusiasm and the same daring death-defying spirit we displayed in the years of revolutionary war, and carry on our revolutionary work to the end.

We must uphold proletarian internationalism, and get rid of great-power chauvinism resolutely, thoroughly, wholly and completely. We will never seek hegemony; we will never be a superpower; we will

always stand with the oppressed people and oppressed nations throughout the world.

Under the leadership of the Central Committee of the Party headed by Chairman Mao, the Chinese people have worked energetically, surmounted all difficulties and hazards, and turned a poverty-stricken and backward country into a socialist one with the beginnings of prosperity in only twenty years and more. We can certainly build China into a powerful modern socialist country in another twenty years and more before the end of the century. We should continue to work hard, carry forward our achievements and overcome our shortcomings, be modest and prudent, guard against arrogance and rashness, and continue our triumphant advance. Under the guidance of Chairman Mao's revolutionary line, let us unite to win still greater victories!

APPENDIX F

China's population by provinces (in millions)

Provinces	*Source*
Anhwei : 45	September 19, 1976—Provincial Broadcast (PB)
Chekiang : 35	September 29, 1976—PB
Fukien : more than 20	April 15, 1976—PB
Heilungkiang : 32	September 11, 1976—Peoples Daily (PD)
Honan : 60	September 20, 1976—PB
Hopeh : more than 40	June 6, 1975—Peking Review
Hunan : 40	September 17, 1976—PB
Hupeh : 40	September 17, 1976—PB
Inner Mongolia : 8.6 (.44 Mongols)	October 6, 1976—Asian Wall Street Journal. Told Schlesinger group by Chinese officials.
Kansu : 18	September 12, 1976—PD
Kiangsi : 28	September 19, 1976—PB
Kiangsu : 55	September 20, 1976—PD
Kirin : 23	September 19, 1976—PB
Kwangsi : 31	April 13, 1976—PB
Kwangtung : 53.5	Derived from a July 16, 1976 PD article stating that 26% of the people in Kwantung, 13,910,-000 swim.
Kweichow : 24	September 29, 1976—PB
Liaoning : 33	September 11, 1976—PB
Ninghsia : more than 3	April 9, 1976—NCNA Domestic Service
Peking : 8	September 10, 1976—PD
Shanghai : 10	September 18, 1976—City Broadcast
Shansi : 23	September 20, 1976—PD
Shantung : 68	September 20, 1976—PD
Shensi : 26	September 30, 1976—PB
Sinkiang : 11 (41.4% Han)	October 6, 1976—Asian Wall Street Journal
Szechuan : 80	September 20, 1976—PB
Tibet : 1.82 (.12 Han)	October 6, 1976—Asian Wall Street Journal
Tientsin : 7	September 11, 1976—PD
Tsinghai : more than 3	September 20, 1976—PD
Yunnan : 28	September 19, 1976—PB
Total population 854. 92	

Source : U.S. Consulate General, Hong Kong.

94th Congress
1st Session

COMMITTEE PRINT

CHINA: A QUARTER CENTURY AFTER THE FOUNDING OF THE PEOPLE'S REPUBLIC

A REPORT

BY

SENATOR MIKE MANSFIELD
Majority Leader, United States Senate

SUBMITTED TO THE

COMMITTEE ON FOREIGN RELATIONS UNITED STATES SENATE

REPORT NUMBER TWO

JANUARY 1975

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LETTER OF TRANSMITTAL

JANUARY 29, 1975.

HON. JOHN SPARKMAN,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR SENATOR SPARKMAN: Almost three years have elapsed since the visit of the joint Senate leadership to China in April–May 1972. A second visit just recently completed has afforded me an opportunity to learn more about the nation that is home to one-quarter of the world's people and has permitted me to explore further the prospects for the evolving Sino-U.S. relationship.

I had seen the old China as a U.S. Marine in the early 1920's, as a special representative of President Roosevelt during World War II, and, shortly after the war, as a member of the House of Representatives. I became reacquainted with China on an official joint Senate Leadership visit in 1972 and, together with the Senate Republican Leader (Mr. Scott) reported to the Senate on the initial and limited observations which were possible at that time.[1]

Through the courtesy of the People's Republic of China, I spent the period from December 9, 1974, when I arrived in Shanghai, until December 30, 1974, when I crossed the border into Hong Kong, in that vast and still little known and understood nation. This second visit to the People's Republic was made with the full concurrence and support of the President and the Secretary of State as being in line with the policy of normalization. It represented a continuation of the bipartisan approach which, from the beginning, has characterized the rapprochement with China.

Through the excellent cooperation and assistance of the staff of the Chinese People's Institute of Foreign Affairs and officials in cities and areas across China, I talked with people in all walks of life. To study as many aspects as possible of the new Chinese social order, I inspected factories, communes, homes, schools, historic sites, museums, irrigation and reclamation projects and hydroelectric plants. While in China, I travelled some 6,000 miles by plane, train and car. A detailed itinerary of the journey appears in the appendix.[2]

I spent five days in Peking holding discussions with leading officials of the People's Republic. These conversations included one hour with Premier Chou En-lai, five hours with Vice-Premier Teng Hsiao-ping, and seven hours with Foreign Minister Ch'iao Kuan-hua. Outside of Peking, I met with local officials wherever I went. Briefings were provided by the U.S. Liaison Office in Peking and, in Honolulu, by Ambassador George Bush, Chief of the United States Liaison Office in Peking, as well as Admiral Noel Gayler, Commander-in-Chief of the U.S. forces in the Pacific.

[1] See appendix I.
[2] See appendix A.

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From Peking I journeyed south to spend four days in Honan Province, a rich, balanced agricultural and industrial province in the heart of the Yellow River Basin. I visited factories, communes, irrigation and flood control works, land reclamation projects, and other places of concentrated activity in many parts of the province, including the cities of Cheng-chou, Hsin-hsiang and Lo-yang.

From Honan Province, I flew northwest to Sian and Yenan in Shensi Province, which, in 1937, was the terminus of the legendary Long March for the fledgling People's Liberation Army. The city is enshrined now as the cradle of the Chinese Revolution. From Yenan, I went south to Kuei-lin in the Kwangsi Chuang Autonomous Region, an area populated by many national minorities. Fifty-four of these minorities have been recognized by the People's Republic. They constitute 5% of China's population and are scattered over 60% of its land area. In Kwangsi Chuang, which is home to 12 different nationalities, I had excellent opportunities to learn how minority problems are handled in the People's Republic. Questions pertaining thereto were explored in depth in the cities of Kuei-lin and in Nanning. After leaving Nan-ning, I flew to Kun-ming, the capital of Yunnan Province, a key area in World War II and now a thriving industrial center in southwest China. The study of the minorities was pursued further in that province which is the home of twenty-four different minorities. In all, five days were spent in the Kwangsi Chuang Autonomous Region and three in Yunnan Province. The last stop was Kuang-chou (Canton), the site of China's semi-annual trade fair, and the home of 3 additional nationalities. It is also a city which is familiar to a growing number of American businessmen.

While in China I heard many references to the visit to China by Mrs. Imelda Romualdez Marcos, wife of President Ferdinand Marcos of the Republic of the Philippines. There were comments relative to a petroleum contract with the Philippines and also about the enthusiasm of the welcome she received.

I thought it advisable to visit Manila primarily for the purpose of exchanging impressions of China and on the developing relationships between China and the Philippines and other countries on the periphery of the People's Republic of China. It was anticipated that future contacts would continue to be made between the People's Republic of China and the Republic of the Philippines and that, hopefully, beneficial trade arrangements would increase. During a twenty-four hour period in the Philippines, eight hours were spent in conferences with President and Mrs. Marcos. The visit added much to my understanding of the situation in China.

The question of the Spratly Islands also arose. It was stated that there is some ambiguity about the exact application of this name to a large group of shoals and islands on the west coast of the Philippines. In the Philippine view, one group lies quite close to the Island of Palawan and belongs to the Philippines, notwithstanding the fact that the largest island is occupied by military forces from Taiwan. As for other islands farther westward in the South China Sea, there were claims by Taiwan, the People's Republic of China, South Vietnam, and the Philippines. Both areas offer very good prospects for petroleum exploration and it was recognized that this factor could create international difficulties unless steps were soon taken to resolve the question of sovereignty.

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Immediately on my return from China I submitted to the President of the United States, in confidence, a report on my observations and findings together with recommendations regarding U.S. policy. The report also included accounts of conversations with Premier Chou En-lai, as well as with Vice Premier Teng Hsiao-ping, Foreign Minister Ch'iao Kuan-hua and Vice Foreign Minister Wang Hai-jung.

The report which follows is an attempt to put together in some cohesive pattern a vast number of impressions and experiences. Hopefully, these patterns will assist the Senate in grasping what in my judgment may prove to be the most profound international development of the second half of the 20th Century, the emergence of a new and dynamic nation on the Chinese mainland. How that nation is meeting the needs of its peoples, and how it is relating to the United States and other nations are questions of the greatest significance to present and future generations. We have an urgent responsibility to the people of this nation to try to understand what is transpiring in China and how best to relate our policies to that phenomenon so as to establish enduring contacts of peace, friendship and equality between the people of the United States and a Chinese population which already numbers over 800 million people.

On this mission, I was accompanied by my wife, Maureen Mansfield, and the Honorable Jane Engelhard of the President's Commission to Study the Organization of the Government for the Conduct of Foreign Policy. Support and assistance was provided to me from many sources. In particular, I want to thank the Library of Congress, Congressional Research Service, for excellent background studies; the Department of the Air Force for assistance in transportation; the Department of State for making available Ambassador Francis J. Meloy, Assistant Secretary of State for Administration, John Thomas, and Miss Dixie Grimes of Mr. Thomas' staff. Dr. Freeman H. Cary, the Attending Physician of the Capitol, also accompanied me, and provided both his professional assistance and his observations on Chinese health care. From the Senate I had the assistance of Mr. Norvill Jones of the Committee on Foreign Relations, Mrs. Salpee Sahagian, Administrative Assistant to the Majority Leader, and the Secretary of the Senate, Mr. Frank Valeo, who, as a former Consultant to the Senate Foreign Relations Committee, had accompanied me on my previous visit to China as well as on many other Presidential and Senate missions to Asia and elsewhere abroad in the past.

Sincerely yours,

MIKE MANSFIELD.

THE WHITE HOUSE,
Washington, D.C., October 23, 1974.

HON. MIKE MANSFIELD.
U.S. Senate,
Washington, D.C.

DEAR MIKE: One of the key elements in our current foreign policy is the effort to further normalize relations with the People's Republic of China. In the light of developments both within our country and in the world, it seems to me that it would be most helpful to the pursuit of that policy if you could undertake a visit to China in the near future.

As Senate Majority Leader and as a Democrat, your presence in China would underscore the bipartisan nature of the policy of normalization and emphasize its continuity. Moreover, in view of your extensive experience with the affairs of the Western Pacific, it would be helpful to me to have your assessment of the current status of the Sino-U.S. rapprochement and the relationship of normalization to the general situation in the Far East.

It seems to me, too, that further familiarization on your part with the situation in China would be of great value in the consideration of any future questions regarding Sino-U.S. relations which may come before the Senate.

In the event you undertake this visit, the Executive Branch will be glad to assist you in any way possible.

With warmest personal regards,

Sincerely,

JERRY FORD.

CHINA: A QUARTER CENTURY AFTER THE FOUNDING OF THE PEOPLE'S REPUBLIC

I. Is the System Working?

China's political system is no longer an experiment. It is here to stay. It is more than a political system. It is a way of life for China's 800 million people. Chinese society, today, is based on the communist theories of Chairman Mao Tse-tung which, to the Western ear, can sound not only like Marxism but also common sense and a mixture of understanding and severity in confronting the frailties of human nature.

The constant speculation over what will happen in China after Chairman Mao Tse-tung retires from the scene, in my opinion, is largely an exercise in irrelevance. It ignores the depth and the reality of the revolutionary changes which have taken place in China during the last quarter century. Mao is esteemed almost to the point of reverence because he has pointed the way and his leadership has restored China's self-confidence. Mao's precepts can be expected to guide China's destiny for a long time to come. "Serve the people" and "self-reliance" are more than slogans, they are the guideposts of Chinese society for the present and future.

From Shanghai to Sian, from Peking to Kun-ming, the evidence of the system's durability is overwhelming. Politics permeates China's daily life, from the high government officials in Peking to peasants in the remote communes. The traditional Chinese concepts of family loyalty and group activity have been extended to make the Chinese people into a pyramid of "families." At the apex is the leadership of an integrated Chinese nation. Pride in common accomplishment and faith in a common future are evident everywhere. China today is more unified than ever before in its history.

This is not to say that there will not be political turmoil. Indeed, periodic political shake-ups are an essential feature of Mao's thesis. They are regarded as a necessity in order to cleanse the system of ever recurring "elitist" tendencies. That was the significance of the Cultural Revolution. It is a principal factor in the current movement to "criticize Lin Piao and Confucius." The prospect of struggles for personal political power is also inherent in any political system. In China, however, the likelihood is that even these struggles will take place within the framework of Maoism.

Incorporated into the Chinese economic system is a substantial insulation from the storms which take place in the international economy. The current burdens of inflation and the specter of a worldwide depression, for example, leave China relatively untouched. Mao's emphasis on self-reliance, local initiative, and national self-sufficiency

has served as a cushion. In the days in Yenan following the Long March, Mao's forces spun their own thread, wove cloth, and developed new land. All participated in physical labor. This Maoist concept has proved itself anew on a broader scale. When the Soviet Union withdrew its technological assistance in the late fifties, the theme of self-reliance spurred the Chinese to achieve on their own. China is now self-sufficient in food, fiber, most basic raw materials, and energy. Not only can China exist without the outside world, if necessary the economic and technological advance already underway can continue without external inputs.

There is a certain sense of ironic gratitude to both the United States and the Soviet Union for forcing China to look to its own people and resources for economic development. The Russians, in particular, the Chinese say, did China a favor by cutting off technical and other aid. As a consequence, China's imports are restrained, as much by choice as by necessity, and exports are kept roughly at the level necessary to pay for imports. The practical results of this independence from the world economy were explained by Vice Premier Teng in this way: "If the products we buy become too expensive, we will stop buying. And if the prices we receive for our exports are too low, we will not sell."

China's system is egalitarian, in which participation is universal. The government bureaucrat or factory manager rides a bicycle to and from work alongside clerks and workers and the leader of a commune production team works in the fields like everyone else. There are no privileged classes. However, as a sophisticated bureaucrat explained, the system does not mean that "all eat from the same pot." "That," he said, "is a fantastic idea which ignores differences in people, all of whom have individual likes, dislikes, and abilities." The theory, it was explained, is that after the basic needs of the people are satisfied, i.e., adequate food, clothing, and shelter, differences in pay and personal preferences come into play with "production distributed according to how much the worker offers to society."

Evidence of Success

The basic needs of the Chinese people for food, clothing, and shelter are being met. Food and clothing are plentiful and low priced. The people appear healthy and well fed. Housing varies from city to city and from village to village, but most dwellings are very adequate in comparison with the old China. Everywhere, new housing is under construction. And everywhere there is evidence of a stress on cleanliness and order.

There is no unemployment or inflation. Officials report that there are no social problems of drug addiction, alcoholism, prostitution, or juvenile delinquency. The streets are safe, day and night, notwithstanding the scarcity of visible armed security personnel. Everyone appears to be busy at productive and purposeful work. Women enjoy equal rights and the percentage of skilled women workers in the factories is increasing. Women work alongside men on the farms and at machines in factories, drawing equal pay for equal work. In some areas women continue to do, as they have historically, much of the heavy manual labor, such as road repair work. There is mass underemployment by

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our concepts but there is some work for every able bodied man and woman. There is no unemployment and, hence, the concept of unemployment compensation is unknown.

There are no privately owned cars, except for those owned by diplomats and returned overseas Chinese. A very limited number of passenger vehicles is available for official purposes in each locality. So rare are passenger automobiles that they are still objects of great curiosity outside the major cities. As China's affluence grows, a real test of the system will be whether privately owned automobiles will be permitted and, if so, under what circumstances. One Chinese official in Shanghai put it this way: "Our emphasis is on public transport. If you have too many cars, it becomes a catastrophe."

The streets and roads on which I travelled throughout the country were well maintained and usually lined by trees, often in depth. Buses were crowded and special emphasis is being put on improving this type of transportation. China's passenger trains, which I rode on three occasions, are excellent. The rolling stock and most of the engines are made in China. The trains are clean and comfortable and ride on roadbeds that are smooth and well maintained. A round trip with sleeper from Peking to Kuang-chou, a total of nearly 3,000 miles, costs about $60.

The livelihood of the people seems to be improved from what it was at the time of my first visit to the People's Republic almost three years ago. In Peking, for example, a great deal of new housing was evident. The people appeared to be better clothed. More trucks and other commercial vehicles and more sophisticated bicycles were on the streets. Shops offered a greater variety of consumer goods.

Wages for city workers seemed somewhat higher than in 1972, now averaging about $25–30 per month. Rent plus utilities remain at about $4 for the average city family. Medical care for city dwellers continues to be free and on the communes costs only a mominal amount. Day care facilities are available and all education is free. There are no income taxes; a worker's pay is net pay.

Grain, cotton cloth, and cooking oil are rationed but the allotments are ample. Prices of basic commodities remain reasonable and fixed. Rice sells for about 7 cents per pound (the same as 20 years ago), pork and beef for 40 cents per pound, chicken for 34 cents per pound, sugar for 35 cents per pound, cotton cloth for 40 cents per square yard, a bicycle for $75 (motorbikes have also begun to be sold in Shanghai for about $200), and a Chinese watch for $50. Movies cost 10–15 cents. Cigarettes average about 30 cents a pack. City bus fare is 3–8 cents. Clothing and shoes are very reasonably priced, a warm cotton-padded winter coat selling for about $9 and padded shoes for less than $3. In most families, both husband and wife work; therefore, the combined incomes usually permit some savings as well as occasional indulgences.

There is a discernible community spirit from one end of China to the other. This spirit is perhaps a key to China's effective management of many of the social problems which confound the Western World. It is the antithesis of "dog eat dog." The handling of criminal offenses is illustrative. Policemen on the streets do not wear guns, and armed military guards are a rarity. Nevertheless, some residents in Peking do lock their doors at night. In criminal cases serious enough to come be-

fore a judge, the accused's case is presented by himself and his co-workers or neighbors since there is no recognized profession of the law in China. It is within a local grouping that most crime is prevented and most offenders are corrected. If found guilty, an accused will be sent back to his home and his job for a period of re-education. There, the "bad attitude," which may have prompted his criminal behavior, is "adjusted." He is made to see the errors of his ways by his peers and that is an end to the matter. If the accused is a habitual offender and "adjustment" appears hopeless, he will end up with a term in jail. There is still capital punishment in China for such crimes as deliberate, premeditated murder and habitual rape.

Except for the most serious disorders, mental problems are handled primarily through compassion and understanding from the victim's friends, neighbors, and co-workers. Traditional Chinese regard for the aged continues to prevail. Old people are cared for by relatives or others in the group, whether friends or former co-workers. The sense of family and local responsibility is still very much alive in China. Charity to one another is an integral part of the new China.

Medical Care in China, 1974

After the establishment of the People's Republic of China in 1949, the new government was faced with a population plagued by malnutrition, communicable and parasitic diseases, and inadequate health facilities and personnel. Everywhere there were scurvy-ridden, lice-infested, potbellied children with inflamed eyes, and countless beggars. An open prostitution problem existed as did rampant venereal disease and tuberculosis.

A combination of directives from Chairman Mao and the principles adopted at a National Health Congress in Peking in the early 1950's resulted in a set of precepts which to this day form the widely quoted ideological basis for the development of health services. These precepts may be summarized as follows:

1. Medicine must serve the working people.
2. Preventive medicine must be given priority over curative medicine.
3. Practitioners of Chinese traditional medicine must be united with practitioners of Western medicine.
4. Health work must be integrated with mass movements.

From these precepts there has evolved a system which provides universal basic health care. It is a system which has eliminated venereal disease, controlled tuberculosis, partially controlled malaria and schistosomiasis, and made world-recognized achievements in burn therapy, re-implantation of amputated extremities and digits, and in the treatment of fractures. The system has given rebirth and new significance to traditional Chinese medicine and the usage of acupuncture.

MEDICAL PERSONNEL

After liberation, a quick estimate of the needs for physicians, based on one doctor per thousand population, indicated that upwards of 800,000 would be required—an impossible goal to attain, even with an all-out effort, in less than 20–30 years. To meet this situation, there

was devised the concept of the "barefoot doctor" and other paramedical personnel.

(1) *Barefoot doctors*—to "serve the people" over a million barefoot doctors, both male and female, have been trained. The connotation "barefoot" merely identifies them with the workers and peasants, with whom their work is chiefly concerned.

Basically, the barefoot doctor is a middle school (junior or senior high school) graduate who has been selected by community leaders and peers as being intellectually and ideologically fit for training. Usually 3 months are spent in a district hospital gaining knowledge and practical experience in primary medical care, first-aid, sanitation, health education, immunizations, acupuncture and traditional medicine. Many subjects in which students are trained are, in the United States, considered the domain of the physician, i.e., suturing wounds, using antibiotics and other drugs. Training continues more or less on a regular basis with refresher courses at the center nearest the place of assignment. Longer periods of training are provided for advanced studies at a regional center. In time a barefoot doctor can become as well trained as a medical school graduate.

A varying number of families or workers is served by the barefoot doctor but the patient load appeared not to be overly burdensome. He or she is expected to have intimate knowledge of the chronically ill requiring regular check-ups, medication, further evaluation or referral; to provide primary care for acute illnesses and accidents; to keep immunizations up to date; to give birth control counselling; and to oversee sanitation problems (i.e., water sterilization and night soil preparation). The barefoot doctor also performs a regular work task in addition to his medical duties.

There are still other categories of worker-doctors and health workers. Although their place in the health care system is important, the scope of their training and duties apparently is less demanding than in the case of the barefoot doctor. Their assignments seem to involve smaller groups of patients, whether at work or among families.

(2) *Medical Doctors.*—The training of physicians ceased in the People's Republic from 1965 to 1970. After that time, the period of training was reduced to 3 years and the curriculum shortened from 30 or more courses to 15–17 encompassing along with modern techniques both traditional medicine and acupuncture. Students for this training are selected in a manner similar to that used for barefoot doctors and usually have had several years of worker experience after graduation from middle school. A brief internship is served by graduates of medical school before they are sent to serve in a setting of need. After completing a period of community service, they may be considered for specialty training.

(3) *Nurses.*—The training period appears to be about 18 months. Some nurses are selected for schooling as physicians which requires another year. Their responsibilities are closely related to hospital work.

(4) *Midwives*—Much of the maternity work is done by midwives whose training is 1–3 months. During that period they cover much of the ground that is contained in the barefoot doctor's training, with special emphasis on obstetrics.

Neither prostitution nor venereal disease is a current problem in the People's Republic. Both were identified in mass public education campaigns as legacies of the old society and the cooperation of the people resulted in their elimination. Initially, houses of prostitution throughout the country were closed. Inmates were treated, rehabilitated and assigned constructive work.

Venereal disease case finding throughout the country was accomplished by questionnaires, barefoot doctors, health workers and concerned citizens. It was found that unskilled medical workers with a week's training were 90 percent accurate in case finding. Rapid and simple blood tests were used. Treatment with penicillin proved effective. Fulfillment of the following standards over a five-year period was considered as eradication:

1. All cases in the community were found and treated.
2. No new cases.
3. No signs of clinically active syphilis present.
4. All newborn children free from congenital syphilis.
5. Previously treated syphilitic mothers have the same pregnancy outcome in subsequent pregnancies as uninfected mothers.

Through the health care delivery system the following immunizations are given:

1. BCG (against tuberculosis)—Initial vaccination is performed within 3 days of birth. Tuberculin testing is performed every 3 years and a booster BCG is given if tuberculin test is negative.
2. Poliomyelitis—Oral (live, attenuated) vaccine is given at 6 months in 3 doses at monthly intervals; 3 doses are repeated at one year and again at ages 5–7.
3. Triple Vaccination (diphtheria, pertussis and tetanus)—The initial three doses are given at 3 to 6 months; single booster doses are given at ages 3 and 6.
4. Measles—Initial immunization is given at 6 to 8 months to children with no history of measles; boosters are given 3 to 5 years later.
5. Small Pox—Initial vaccination is given at 6 months, with revaccination at age 6.
6. Japanese B Encephalitis—Immunization is given annually in October or November in certain provinces to children under age 14.
7. Mennigococcal Meningitis (Groups A & B)—Immunization is given annually in October and November in certain provinces to children under age 14.

Tuberculosis has been brought under control through case finding and early treatment. This achievement is the more remarkable, considering the crowded living conditions and very high incidence (10 percent, for example, at Peking University) prevalent prior to these measures. In bringing it about, mass education programs were widely employed, with emphasis on the advantages of early treatment. Portable x-ray units, including field out-of-doors operable fluoroscopes were also used to help with case findings.

Schistosomiasis, a parasitic disease, continues to be a major health problem. Nevertheless, effective efforts have been made to control and reduce its incidence. Mass education through lectures, films, posters and radio have been used to control the snails, the intermediary host.

I was advised that by draining infected ponds, treating and deeply burying the infected soil, schistosomiasis has actually been eradicated, for example, in the Kwangsi Chuang Autonomous Region and brought under control in Yunnan Province. Early treatment and surgery on more serious cases have also proved effective.

Kala-Azar, a long time scourge of certain coastal areas, has been eliminated by control of the transmitting agent, the sand fly.

Malaria continues to exist in the more remote parts of the southernmost provinces. Preventive measures and mosquito control are in active use.

Others—Safe drinking water programs, improved personal hygiene, treatment of human excreta before its use as fertilizer and control of dogs have also cut down on the incidence of parasitic and infectious diseases.

TRADITIONAL MEDICINE AND ACUPUNCTURE

Traditional Chinese medications by the thousands are available in the People's Republic, and more are being discovered all the time by the diverse health systems and by concerned citizens. Tree bark, herbs, fungi, certain animal skins, insects, etc. are in wide use. Good results have been claimed for these medications in the treatment of pneumonia, nephritis, hypertension, heart attacks, angina, appendicitis and many other conditions. Since many useful pharmaceutical agents are known to come from natural sources, (i.e., digitalis, ephedrine, reserpine, quinidine, anti-cancer agents, etc), it is not unreasonable to assume that a treasure house of new effective drugs might be developed from these traditional medicines. Certainly, every effort should be exerted to carry out appropriate controlled research and this apparently, is what the Chinese are doing at this time.

Acupuncture anesthesia has captivated the attention of the West since 1972. Many competent western physicians have observed acupuncture anesthesia at work in China for a myriad of operative conditions—brain, thyroid, open-heart, lung, stomach, orthopedic surgery to name a few. Its proponents can point to its safety, simplicity, inexpensiveness, lack of side and after effects and rapid patient recovery. The mechanism of action and the universality of its usage remain to be worked out by research and additional experience. However, it is currently widely used as an anesthetic in China.

Acupuncture as a treatment has been practiced for over 2,000 years in China. It is applied for almost every condition, with many visitors having observed its use, with reported good results, for stomach ulcers, hypertension, paralysis due to multiple causes, as well as for painful conditions such as headache, back pain, arthritis, and bursitis. Development of acupuncture points on the scalp and ear, electrical stimulation of the needles and injection of traditional medicine at acupuncture points are new amplifications of the treatment. Thorough research is needed concerning its mechanism of action and the universality of its applicability.

MEDICAL FACILITIES

It is said that every county in China now has a hospital. Many of the larger communes have small hospitals. Most of the brigades have a cooperative medical center. Most of the production teams have clinics.

Those hospitals and other facilities are not modern or well-equipped by U.S. standards but the quality of care and individual attention seem to make up for these shortcomings. The laboratories, radiology and radio-isotope departments which were seen were well-equipped. Cleanliness of the floors, passageways and reception areas was remarkable.

MEDICAL COSTS

For a small registration fee (equivalent to 2–5 cents), a factory worker receives free medical care. If hospitalized, he pays a small additional fee for medication. If disabled or sick, he receives full pay up to six months. If permanently disabled, compensation is at full pay or 70 percent, depending on whether he has worked 15 years. His dependents pay one-half of their medical costs.

A farm worker pays about twenty-five cents per year for cooperative medical care. Disability benefits in the rural areas are not known.

CANCER

Prior to 1949, cancer ranked tenth as a leading cause of death. As a result of drastic reductions in mortality from other causes by effective control of infectious and parasitic diseases, improved nutrition and universal health care, cancer now ranks number one. Cancer of the esophagus is the most prevalent type and the leading cause of death in some areas. Its etiology has been linked with chemical water contaminants and certain fungus growths on preserved food. Cancer of the uterine cervix is routinely screened for in all susceptible age groups every two years. Breast cancer is not common but is checked for at times of routine examination.

Although there are relatively few motor vehicles, there is widespread use of soft coal in industry and for heating. Air pollution from this source was discernibly heavy in Peking, Shanghai, Kuang-chou and Kun-ming. Cigarette smoking is very prevalent among Chinese males but is rare among females. Cancer of the lung is on the increase, but no official stand has yet been taken regarding the hazards of cigarette smoking.

MENTAL HEALTH

Mental illnesses apparently have not become a major health problem, although information is not detailed concerning their prevalence. The cohesiveness of the society in small groups, and the beliefs in the malleability and perfectability of man have helped develop new techniques of treatment through collective help, self-reliance, "heart-to-heart" talks, productive labor and "revolutionary optimism." Western-style drug therapy and acupuncture are used in conjunction when appropriate. The reported "cure" and "much improved" rate is astonishingly high.

MISCELLANEOUS

Re-implantation surgery for severed fingers and extremities has been highly successful. Meticulous micro-techniques for joining minute veins and arteries and the referral system of cases has attracted the attention of the entire medical world.

New techniques appear to have been developed to allow survival of burn patients with 90% body burn, a most extraordinary achievement. By timely and proper fluid replacement during the early shock stage, progression has been allowed to the period of infection which has been dealt with by isolation of the patient, supportive therapy, rational use of antibiotics and proper management of burn wounds. The reported success rate and the enthusiasm of American medical observers strongly suggests the need for further investigation for possible universal adoption.

Neither alcoholism nor drugs are considered to be problems in the People's Republic. The People's Republic has persuaded the national minorities in the Southwest who were the principal growers of poppies to shift to other crops although some production of opium for medicinal uses within the country, under strictly controlled conditions, is permitted. From time to time, allegations have appeared in the press that mainland China is the source of large quantities of narcotics entering the illicit international drug trade. U.S. Drug Enforcement Administration officials in Hong Kong stated to me that there is no evidence that China is a source of illegal narcotics. This assurance confirmed what had been told to me earlier by Chinese officials.

Hypertension seems extremely common, especially in Peking and the discovery of its cause may shed light on this problem for the rest of the world.

Previously, the life expectancy at birth in the People's Republic of China had been reported to be 53 years. Victor W. and Ruth Sidel in their new book, *Serve the People*, state that life expectancy at birth in Shanghai (73.3 years) is greater than that in the United States (70.4). Dr. Ma Hai-teh (George Hatem), an American born doctor who is a long time resident of China, also stated that life expectancy in China is now slightly more than 70 years. Whatever the accurate figure, it is evident that the Chinese have made remarkable accomplishments in health care delivery, disease prevention and disease control during the past 25 years. They are using contemporary western medical concepts together with new techniques in traditional Chinese medicine. The combination is producing promising results, which could be of benefit to the entire world.

Population Policy

China's chief delegate to the U.N. World Population Conference last August announced that the country's population was "almost 800 million." There is considerable uncertainty about China's rate of increase, with most U.S. experts judging it to be at somewhat less than two percent, or about fourteen million a year. It is said that the goal is to reduce the rate to one percent by 1980. All external estimates should be taken with a grain of salt.

China's population policy involves a selective approach. For example, late marriage and birth control are encouraged in areas where population density is high. On the other hand, population growth is not discouraged in sparsely populated regions where many of China's minorities live. The annual population growth rate is .48 percent in Shanghai and .97 percent in Peking. In Inner Mongolia, however, the growth rate is 2.1 percent and in the Sinkiang Uighur Autonomous

Region it reaches 3.0 percent. The declining birth rate in some cities has shown up markedly in the number of children enrolling in primary schools, as has been the case in the United States.

Chinese young people are more receptive than in the past to family planning. Most of the population in the reproductive ages has at least five years of education and is basically literate. Moreover, the role of women has undergone considerable change. They are better educated, active in the labor force, and intimately involved in the social and political organization of their communities. People are no longer hungry in China, and because of improved sanitation and readily available health care, infant and child mortality has dropped to a level where parents no longer feel compelled to have large families. Security in old age has ceased to depend on numerous children.

Present economic and social conditions, in short, establish the necessary foundation for an intensive and successful program to motivate young people to postpone marriage and, when married, to limit families. This program, when coupled with the cost-free availability of contraceptive devices, sterilization and abortion, represents a major effort to restrain over-all population numbers.

Education

The People's Republic places great stress on basic education. China's leaders are well aware that literacy is essential both to effective political communication and to economic growth. Education is free and compulsory for seven to nine years, varying in length from area to area. Seven years, for example, was the minimum in the Double Bridge Commune in rural Kwangsi Chuang. Young people of school age are not seen working in factories but are frequently observed at work in rural areas. All levels of education are still in what was referred to as an "experimental and transitional" stage following the Cultural Revolution. The usual school system today consists of four to five years in primary school and up to five years in middle school, broken into junior and senior levels. For some, there follow technical schools or colleges.

In a commune in a remote area in southwest China, a leader told me that 98.4% of all primary school-age children in the commune were enrolled in school. When asked about the remaining 1.6%, he replied that although the normal starting age is seven, some parents do not send their children to school until they are eight.

Education in China is directed to practical application, not to learning for the sake of learning. Young children are taught to read and write and are generally prepared for limited specialized training. Work and other ethical values are also instilled in them in accordance with Maoist concepts. At the secondary level, education is usually combined with practical experience keyed to turning out persons capable of going directly to jobs in the communes and factories. Additional on-the-job training takes place later. Those destined to be skilled technicians, for instance, go through an apprenticeship of several years.

By all accounts, higher educational concepts are still unsettled. I visited Peking University which before the Cultural Revolution had an enrollment of 10,000 with five to six years required for the normal course of study. It now has an enrollment of 5,000 and the course is

generally three years. Certificates rather than degrees are given on completion of studies. Students' expenses are paid by the state, including, if necessary, a subsidy for pocket money. Students are selected from the communes, factories and the armed forces. It was stressed that recommendations by fellow workers or soldiers are the most important factor in the admission process. Most of those now being admitted have gone no further than junior middle school level (seven years), and then spent several years in factories, on farms, or in the army. Admission quotas are by geographic areas and applicants are screened by local committees as part of a nationwide selection process. Women make up one-third of the enrollment and the percentage is being increased by design. There were four students from the United States currently enrolled at Peking University.

Although debate over the educational system continues, emphasis on educating the people to play a more constructive role in society is not likely to change. The greatest controversy concerns the question of how to accommodate and make maximum use of highly gifted students and teachers without again creating a thin crust of intellectual elitism. It remains to be seen how that problem will be managed. As of now, it can be said that there is a widespread system of free education which reaches into the most remote areas of the country. The system is designed to instill in the young a strong desire to serve the people and it provides them with the basic skills for doing so.

Agriculture

It is in agriculture that the most startling advances have been made in the People's Republic. Eighty percent of China's population is on the land. Only 11 percent of the total land area is used for agriculture, yet enough food is produced for 800 million people. China both exports and imports grain. Statistics are lacking, so it is impossible to reach precise conclusions on China's food production. Nevertheless the Chinese authorities have announced and outside observers agree that China has solved the food problem. In all sections of the country, grain reserves are being built up.

According to Chinese sources, 1973 grain production was more than 250 million tons, twice that of 1949. Despite a severe drought, record breaking crops were reported for 1974. The degree of emphasis placed on food production is expressed in a poem by Chang Chi-min:

> We shall not tolerate a single inch of unused land!
> Nor a single place harassed by disaster.
> Make wet rice, wheat, and yellow corn grow on top of the mountain,
> And beans, peanuts, and red kaoliang rise on sheer rocks. . .[1]

Everywhere, there is evidence that this poetic concept is the guiding principle of China's agriculture. Self-sufficiency and local initiative are the key ingredients. All persons who work in agriculture live in communes which vary in size. To the extent possible, each commune is a self-contained unit, producing its tools, fertilizer, and, sometimes, small tractors, other farm implements and various consumer dura-

[1] From "Personalities in the Commune."

bles. It is estimated that about 75 percent of the fertilizer used in China still comes from compost and animal and human waste but additional emphasis is being put on the production of chemical fertilizers. Human wastes which otherwise would end up as pollutants in streams, rivers and coastal waters are treated in China as assets. In Peking, snow shoveled from the sidewalks is piled up against the trees which line the streets to make maximum use of the moisture and its nutrients. "poor man's fertilizer," it is called. Conservation and recycling techniques of this nature have a significance for the entire world.

Recently a group of U.S. agricultural scientists reported that half of the chemical fertilizers now used in China come from "backyard factories" which turn coal, coke, and water into ammonium bicarbonate, a chemical not generally used as a fertilizer elsewhere. It is said to be a technique that could be readily adapted to other developing countries. Thirteen huge fertilizer plants are on order from abroad and will come into production in 1976 and 1977.

Chinese farmers use every inch of available land and then add more productive land through drainage and flood control projects and extensive land leveling. They are making mountains into mole-hills and have begun reducing terraced land to flat fields in order to permit wider usage of mechanization. Knowledge of new techniques seems to be diffused rapidly, with each commune experimenting to find the best methods to fit local soil, water, terrain, climate and available machinery and manpower. On the day I left the country, China announced that it had succeeded in growing three crops of rice and one of wheat on experimental tracts in Kwangtung Province. Four grain crops in a single year would represent an unprecedented achievement. Farming in China is very labor intensive, far less mechanized and less dependent on fossil fuels and fertilizers than American agriculture. Men and women still serve as burden carriers, along with buffaloes, ponies, trucks and tractors. Mechanization has the highest priority in order to increase production, but in the areas visited, had scarcely begun to replace human and animal labor.

The commune system works both to feed the people and to keep the entire rural population engaged in meaningful work. Communes are organized into brigades and brigades are divided into production teams. Each level is an economic unit with incentives operating at all levels. The production team normally consists of between 30 to 40 households, with each household having, in addition, exclusive usage of a small plot of land for growing vegetables and raising pigs or other animals.

Dwellings in communes are often owned by the occupants, contrary to the situation in urban areas where practically all housing is leased to the workers by the state. Bricks, cement, timber and other building materials are purchased by families from the commune, sometimes through subsidies or loans. The cost of construction for an average house is about $300–350. Team members pitch in to help build these dwellings. On the death of the head of the household, a house can be passed on to his family. It can also be sold through the commune unit if the owner leaves the area. It cannot be rented to a tenant by the owner.

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Each commune is assigned an annual state production quota, fixed for a period of five years. There is also a small tax on farm production. Grain, cotton, or whatever the product, is sold to the state each year at a fixed price for the assigned quota. Any production above the annual quota can either be sold to the state at a premium price or retained by the commune to build up reserves or to expand grain allotments to members. In Hsin-hsiang district of Honan Province, which I inspected extensively, the 1974 state quota for the communes within the district was 286 million pounds of grain. But total production was 4.4 billion pounds. Of the production above the quota, the commune members agreed to sell 374 million pounds to the state and kept the rest for their own use and reserves.

For grain sold above the quota, the communes receive a bonus price from the state which can be up to one and a half times the regular quota price. If the state furnished chemical fertilizer to the commune during the growing season, the bonus price would be only 30 percent above the regular quota price. In addition to encouraging increased production on existing land, the system stimulates the creation of additional land by not assigning quotas on new land for a number of years after it is brought into production.

What this system has meant to the man in the commune is indicated by what has occurred in the Chi Li Yeng Commune in Honan Province. Chi Li Yeng was China's first commune and it was from here that the communal movement began in 1958. Much of the commune is located in what used to be an old course of the Yellow River. It is an area which in the past was often afflicted by floods, droughts, and insect plagues. The commune contains 15,500 acres of land and a population of 54,000, organized into 38 brigades and 298 production teams. Its primary products are grains and cotton.

The commune has dug 320 canals to draw irrigation water from the Yellow River and operates 540 machine pumped wells to supplement the river water. It owns 60 tractors and 90 percent of the land is machine plowed. Grain production averages 7,260 pounds per acre, a 10-fold increase since the establishment of the commune. There is a collective grain reserve of 550 pounds per person in addition to the reserves of individual households. The commune has a diversified economy; it operates a phosphate factory, raises a variety of animals, and carries out forestry work.

There are primary schools, middle schools and an agricultural school. There is also a hospital and a cooperative medical care system for each brigade. Seventy percent of the members live in brick houses. All households own a sewing machine and at least one bicycle. All brigades have electricity.

Households are paid on the basis of skills, output and attitude, on the principle of "from each according to his ability, to each according to his work." Those who are no longer able to work are cared for by family or, if there is no family, through the commune's general welfare fund. There is no retirement system in the communes as there is in factories, but all older people are provided for, either by their families or the local unit. The cooperative health system costs approximately 25 cents a year per person. Average annual income for a family

of four in the Chi Li Yeng Commune comes to $234, including its grain allocation. Each family has a plot for growing vegetables which, for efficiency, is also farmed collectively.

I visited one household in the Chi Ling brigade. The head of the household was a native of the area, who during the Japanese war was forced to leave because of the poverty. He ended up working as a coolie for the Japanese in the Northeast, finally returning home after conditions in that region became unbearable. He now lives with his wife, two working sons and a daughter in three austere but adequate rectangular brick buildings with concrete floors, containing in all, the Chinese equivalent of nine rooms. Among the family's possessions were two bicycles, a sewing machine, a coal-fired cooking range, a table, several chairs, and two wide beds. Lithographs of Chairman Mao and scenes from a Chinese revolutionary opera were on the walls of their living room along with a battery operated clock. This family had a total income of about $450 last year plus grain, enough to provide a comfortable living by Chinese standards. Members spoke with pride of their own and China's accomplishments.

In Kwangsi Chuang Autonomous Region in Southwest China, the same story of substantial progress is evident. I visited the Double Bridge Commune in Wu-ming County, a county inhabited by people of the Chuang nationality. There were 53,400 persons living in the commune.

Double Bridge is largely self-contained, producing rice, citrus fruits, bananas, tobacco, timber, phosphate and other products. It has its own machine shop, repair facilities, small sawmill, brick kiln and other units for self-support. All households in 146 of the 159 commune villages are electrified. The commune is investing its income in mechanization, with $1.6 million having been spent in the last few years on new tractors and machinery.

There was a bumper harvest of 71.5 million pounds of grain last year, five and one-half times the 1949 total on the same land. Of that, 25 million pounds were sold to the state, 6.6 million pounds as the regular quota and 18.4 million pounds at a bonus price plus chemical fertilizer.

In 1973 an average income for a household of five was about $265, including grain. The typical family had five or six rooms in a courtyard arrangement with a private plot for growing vegetables and a small pig sty. Most households are said to have money in the commune bank. The average per capita grain production in 1973, primarily rice, was 1,320 pounds and of that 660 pounds per person were distributed to the members, far more than is needed for annual consumption. What was not used went into individual family reserves or, if those became too large, was fed to privately owned pigs. This area was said to be so poor before 1949 that "a sparrow would not stop." Now the living standard was described by a commune leader as "like a sesame blossom, which opens step by step, higher and higher."

The families visited were highly oriented politically. In their view, life was good and getting better. The system was working for them. With this intense feeling permeating China's rural populations, as it probably does, Mao's precepts would appear to be solidly cemented into the nation's thinking.

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Preservation and Conservation

Wherever we visited there were impressive examples of the renewal of China's pride in its past and its faith in the future. The People's Republic is locating and restoring relics and artifacts of China's rich history, a small sample of which is now on exhibition in the United States. Each province I visited had a provincial museum, with collections consisting primarily of items found or excavated since the inception of the People's Republic. The displays are often politically oriented to stress the exploitation of the peasants in old China.

Everywhere, historic treasures, such as the Ming Tombs, the Lungmen caves in Lo-yang and sections of the Great Wall have been restored and elaborated for public use. This emphasis on traditional cultural excellence complements the national theme of self-reliance looking to the strength, resilience, and ingenuity of the Chinese people for the wherewithal to develop the new China.

As for the future, there is obviously not yet a great deal being done to curb air pollution. Factories throughout China belch much black smoke and the rivers carry an increasing burden of industrial effluents. On the other hand, the absence of automobile transportation in China makes the problem of air pollution less pressing. Everywhere there are projects to preserve China's natural resources. Mass plantings of trees, for example, have been carried out in cities and the countryside to the extent, it is said, that the climate has been changed for the better in some areas. Every place I visited had conservation projects which local officials pointed to with pride. In the Kwangsi Chuang Autonomous Region, for example, where the beautiful scenery and pure air and water of the environs of the city of Kuei-lin have been held in high esteem for centuries by the Chinese, there is an awareness of the need to preserve these assets. However, the area now contains 260 factories and efforts are just beginning to be made to curb the adverse effects of these new additions to the landscape. A paper-making plant, for example, which once discharged caustic soda is initiating a process to reclaim the soda. A coal-fired thermal power plant which discharged dregs into the Li River now makes bricks out of this refuse.

The imprint of the new China on nature is perhaps best seen in Honan province, which lies in the basin of the Yellow River, the cradle of Chinese civilization. What has been done in harnessing the Yellow River epitomizes China's emphasis on conserving resources and making the best out of its natural assets. The Yellow River is critical to China's well-being, but it is fickle, having changed its course 26 times in recorded history, always with devastating consequences. In past decades and centuries, the river was better known as China's sorrow. It was said that before the beginning of the massive control projects there were droughts in the upper river plateau area nine out of every ten years, while in the lower reaches there were recurrent floods.

The river is named Yellow because of the vast amounts of silt it carries from the uplands, 81.4 pounds of silt per cubic meter of water compared with the 2.2 pounds per meter carried by the Nile. For many centuries there have been protective dikes along the lower reaches of the river. But the constant siltation and diking has resulted in building the bed of the river from 9 to 21 feet higher than the adjacent

land. Some areas farther removed are as much as 60 feet below the river bed. Hence, the Yellow is sometimes called "The river in the air."

Before 1949, there were, on the average, two floods every three years due to breaks in the dikes, bringing misery and death to millions. There have been no breaks in the dikes since that time. Inhabitants remember with special bitterness that in 1938 the dikes were deliberately breached on orders of a Nationalist Chinese military commander to halt the advancing Japanese Army. It is said that the resulting flood killed 890,000 Chinese.

Massive control work has been carried out over the last 25 years. Five major dam projects have been built on the Yellow River and 78 more on tributaries. Some 140 diversion projects have been constructed in the lower reaches. Extensive projects to prevent soil erosion have been completed or are underway upstream and vast irrigation works have been constructed downstream. Ten million people in Honan Province alone are engaged in water conservation work. The flood prevention work has been so successful that one commune leader told me, "Our fear is no longer of the river flooding, but of not having enough water for irrigation."

Since 1949, I was told, average grain production has increased approximately tenfold in this area. Much new land has been brought into cultivation by building up the level of the land through deliberate and controlled flooding and siltation. The process will be continued until the land nearest the levees is at the highest flood level.

Another impressive example of rural development was seen in Huihsien County in Honan Province where thousands were at work creating new land out of seemingly impossible terrain and building massive irrigation works. I was told that there were no figures on the amount of new farm land created in this way but it was obviously vast. The new land, terraced by hand-cut rock walls, marches steadily up the hillsides, ending only where there is solid, barren rock. These projects, all irrigated, are initiated and carried out by production teams whose members receive the primary benefits therefrom. Thus, economic as well as patriotic incentives are provided..

Huihsien County is considered a national leader in irrigation works and in creating productive land out of non-productive areas. In the district in which the county is situated only 5,000 acres of land were irrigated before 1949. Now, 833,000 acres are irrigated and there are plans to irrigate 350,000 more. Water comes from a variety of sources to supplement an inadequate rainfall, tributaries of the Yellow River, the ingenious tapping of underground streams, natural springs, and wells. 1974, notwithstanding a bad drought, it was said that production was still above last year's.

I inspected an irrigation system which brings water by an underground canal which is covered over so that grain can be planted on top. The water is carried through a series of five pumping stations and vast stone and concrete aqueducts which lift the water a total of 280 feet. It is then dispersed through 32 miles of smaller canals to irrigate 5,350 acres of land. The project was paid for and constructed in three years by fourteen brigades from two communes. Grain production has increased from about 530 pounds per acre to 6,000–7,900 pounds per acre.

In the same district another system pumps basin waters into a hilltop storage reservoir. Still another local project carries water into the next county in a series of tunnels carved through solid rock, with the canal covered over by a paved roadway. I inspected the 800 yard long Yu Kung, or "Foolish Old Man Tunnel." It is named after a well-known Chinese fable of how a seemingly impossible task was accomplished through hard work and perseverance from generation to generation. The setting for the fable was the Hsin-hsiang area and the people there carry on the tradition in their daily lives.

Self-reliance applies also to power production. In Kwangtung Province, in South China, I visited a small hydroelectric plant containing Chinese-made turbines, which utilizes water carried by tunnel from a multipurpose reservoir. The reservoir is used not only to generate power for agriculture and industry, but also for flood control, as a source of irrigation water for 75,000 acres, and for raising fish. The power plant's output ties into a province-wide grid even though most of the rural areas in the grid produce at least part of their power-needs through small hydroelectric plants operated by communes, brigades, and individual production teams. Excess power is sold to the state which feeds it into the provincial system.

When one sees such massive man made works as those being created throughout China, the Western concept of gross national product as a measure of economic progress and well-being appears to have little relevance. Many of the services which enter into the Western GNP, such as the cost of garbage and sewage disposal, antipollution works, and alcoholic and drug treatment centers, not to speak of advertising and the fancy packaging of goods, are irrelevant in the Chinese system. Much of China's needs, which in the Western world would require large capital inputs, are being met by recycling and reuse and immense inputs of labor. It is a frugal and self-sufficient society fully at work.

Industrial Development

Planned development, decentralization, and self-reliance were all exemplified in Honan Province. Not only is the province highly productive in agriculture, it is also a growing industrial center. Chengchou, the provincial capital, has grown in population to 1,100,000 from 150,000 in 1949. It is expected that the city's population will be stabilized and further growth in the area will be dispersed in new villlages in the rural areas. The population of other major cities, like Shanghai, is also being kept in bounds by sending young workers to less-crowded centers as well as by population control measures.

From eight small factories, Chengchou's industrial base has increased to 800, some of which employ thousands of workers. I visited a factory which makes machinery for the many textile plants in the area and the nation as well as for export. There were 5,000 workers in the plant, compared with 300 in 1949. I was told that 45 percent of the 2,000 machine tools used in the plant were designed and made there. The factory had a hospital, dining halls, a nursery, kindergarten, a middle school, a spare time higher education facility and recreational facilities.

Apprenticeship for technical workers in the form of on-the-job training lasts up to three years with pay of about $15 a month during the

training period. Average wages within the plant were about $30 a month. Thirty percent of the technical force was composed of women and the percentage is on the rise. Retirement is at age 55 for women and 60 for men, with a pension of approximately 70 percent of the last pay received.

A tractor factory visited in Lo-yang, also in Honan Province, produced 24,300 tractors and bulldozers in 1973. Detroit would probably regard the assembly lines as antiquated but, relative to what existed in old China, the factory was a technical marvel. It had been created, moreover, largely by the Chinese themselves.

One of its main products is a 40 horsepower wheeled tractor which was designed and tooled by the factory workers. Ninety percent of the machine tools in use in the plant were Chinese-made, including twenty percent fabricated in the tractor factory itself. Only ten percent, dating from the period of Sino-Soviet cooperation, had been imported.

The average wage is $27 a month. Workers also have free medical care, housing at about $1 per month, free educational and recreational facilities, and sick pay and retirement benefits.

In Yunnan Province I visited the Number 2 Kun-ming Machine Tool Plant which makes precision, high-speed machine tools for a variety of appliances. Before 1949 the factory work force of 400 turned out only scales and small lathes. With a current work force of 4,000, the plant manufactures more than 100 types of heavy machine tools. In recent years the workers have designed and produced thirteen new machines, some of which have been exhibited at the Kuang-chou (Canton) Trade Fair and are being sold for export. Many women work on the production lines. A concern over defense was evident here in the building of underground workshops behind the plant site.

In all factories, as well as on the streets, many posters were to be seen relating to production goals, and the campaign to criticize Confucius and Lin Piao. Occasional criticism of the factory management and other leadership was also expressed in this fashion. One official described it as "proletarian democracy" at work.

In every plant I visited, I was struck by the young age of the workers, most of whom appeared to be in their early twenties. China's industry was started practically from scratch and its greatest expansion has been in recent years. It is not surprising, therefore, that the young would run the machines of the new and growing industries.

China's Minority Problems

Strictly speaking, no Chinese race exists as such; the Chinese people are made up of many racial elements. But the people traditionally known in the West as "Chinese" are classified in China as Han, a name derived from the dynasty that ruled from the 2nd Century B.C. to the 2nd Century A.D. Throughout the years the Han people have constituted the central homogenous bloc, the expanding and assimilating core of Chinese civilization. In former times, those outside the Han populated areas were looked upon as "barbarians."

Hans comprise nearly 95% of China's present population. The remainder consists of 54 groups of peoples, totalling 40 million who are referred to as "national minorities." This 5% of the population is spread through 60% of China's land area. Non-Han peoples live in

large numbers in what have been designated as five "autonomous" regions. They are Inner Mongolia, Ningsia Hui, Sinkiang Uighur, Tibet, and Kwangsi Chuang.

The Kwangsi Chuang Autonomous Region, the area that generated the famous Taiping Rebellion in the 19th century, was formed in 1958 from what formerly had been Kwangsi Province. Twelve different national minorities live in the region, the largest of which is the Chuang nationality. There were no indications that Chinese policy is designed to erase the Chuang or other distinct cultures. On the contrary, a concerted effort is apparently being made to preserve the language and traditions of the minorities in this region.

Special attention is given to education of the minorities. Enrollment in primary schools of students from minorities is fifteen times that of 1950. Although text books are in Han Chinese and reading is taught in Han, there are also lectures in Chuang. Bilingualism, Chuang and Chinese, is common. In other areas, minority languages are also used. In the Kwangsi Chuang Region there are four teacher training colleges for minority students.

Each county has it own theatrical group which performs in the local language. There are special radio broadcasts in the Chuang language. In minority areas films are either shown with dubbing or subtitles which use the local language.

Population control is not promoted in the more sparsely populated nationality areas. The growth rate for the Chuang and Han populations in the region, I was told, are approximately the same, 2% annually. However, in the Double Bridge Commune, a Chuang community, the growth rate was only 1.5% per year.

The national minorities are represented in the government of the Kwangsi Chuang Region. There is no discrimination against them as regards membership in the Chinese Communist Party. Among the ranking party members for the districts, counties and communes, 40% are said to be from national minorities. In the Double Bridge Commune, six of the seven highest commune leaders are Chuang, including the chairman. At the local level, the indigenous idiom, not Chinese, is the spoken language. Records are kept in Chinese, generally a necessity since many minority languages lack written form.

The autonomous regions have more autonomy in finance than regular provinces with some budget subsidization by Peking. On the regional level, a special fund has been set up to help solve special local minority problems. If an area's income is unusually low, it receives subsidies for health, education, economic development projects and so forth. There is also a policy which insures that prices of basic commodities in the most remote areas are the same as those charged in the cities.

Yunnan Province, which I visited next after Kwangsi Chuang, is the home of twenty-four different national minorities. These peoples comprise one-third of Yunnan's 23,000,000 population. There are eight special districts, or chou, and fifteen counties controlled by national minorities. These areas are autonomous in many respects. Policies of oppression and discrimination have been abolished and serious efforts are being made to improve living conditions, health, education, and general welfare of the minorities. As in Kwangsi Chuang the minorities have the right to use their indigenous languages and their own

written scripts if they exist, run their own schools with their own teachers and maintain their own local security forces. Again, they have more flexibility in the use of local funds.

The national minorities choose their own representatives in all parts of the system, from the provincial government to the production team. The local party cadre are members of the local nationality.

I visited the Institute for National Minorities in Kun-ming, which, since its establishment in 1951 has trained more than 10,000 cadre from the twenty-four nationalities. After two or three years of training, these young people return to their local area to work in party leadership in factories, communes, or other governmental units. Some remain to work in government at the provincial level.

Small factories to make chemical fertilizer, insecticides, farm machinery, textiles, tractors, and other products have been established in minority areas. The rate of progress varies from area to area, depending on location, the initial level of advancement of the minority group, and the size of the local industrial base. However, from all indications, the minorities are much better off today than they were 25 years ago. In the past some minorities were in danger of becoming extinct but the present availability of improved medical care has resulted in an expanding population. The minorities in Yunnan Province were described as having increased from 3 million in 1949 to 8 million.

I cannot comment on the handling of minority problems throughout China. In Kwangsi Chuang, Kwangtung, and Yunnan, however, the People's Republic appears to be making a determined effort to advance the interests and welfare of the national minorities and to preserve their cultures. The system now in effect should enable these groups to retain the best of the past and still take part in the progress of the present. One Chuang leader in a rural area said to me simply: "Chairman Mao is the savior of the Chuang nationality." China's approach to her minorities is not an application of the melting pot theory, but one which deliberately, with state encouragement and support, attempts to avoid homogenization of cultures.

Representatives of the minority nationalities with whom I talked seemed to think they had the best of both worlds—retaining their old traditions while sharing in the economic advantages of the Chinese People's Republic. As the leader of the Pai nationality put it: "Since liberation, some of the problems that remained unsolved for centuries have now been solved. Twenty-five years is not very long in terms of human history and we have only just begun to develop. Our progress is not great compared with the state of the Han. We have a lot of catching up to do. Our desire is to grow and develop within our nationalities and to help create a stronger Motherland."

Summary

The misery of the old China, where famines and pestilence were common and millions wandered aimlessly, is gone. So, too, are the political systems which nurtured it. In my judgment, there will be no turning back the clock to the past. Judging by appearances, the families in the communes and the workers in the factories are willing participants in the social revolution in China.

The immense energy and talents of the Chinese people are harnessed in productive work. China is still a poor country by Western standards. Its riches lie in a talented people, a rich culture, and abundant natural resources which have been meshed under a political system that is delivering the essentials of an adequate life and some of its amenities to a quarter of mankind.

II. United States-China Relations

The Path Since Shanghai

It is impossible to understand current U.S. relations with China without some awareness of our China policy since World War II. After the military clash with the Chinese in Korea the United States sought to quarantine the new People's Republic of China. This policy continued for two decades, long after its relevance to Korea had disappeared. Its continuance was related to our support of the Republic of China which found a haven on the island of Taiwan. The implicit but unrealistic expectation was that that government would one day return to the Mainland.

While this policy originally saw the People's Republic as a reckless and powerful belligerent, manipulated by the Soviet Union, Peking saw itself as a struggling revolutionary government trying to build on the rubble of civil war a political and economic order better able to serve the needs of the Chinese people. U.S. efforts at containment were regarded as an extension of the Western world's efforts to dominate and exploit China as had been the case for the previous century and a half.

The costs of this outdated policy, founded on a distortion of reality and deep internal political fears, are immeasurable. Its assumptions and miscalculations were a factor in bringing about the confrontation with China in Korea. It was an element in leading more than two and a half million Americans into the political quicksands of Southeast Asia. Thirty-three thousand Americans lost their lives in the hills and valleys of Korea, and 55,000 gave their lives in the paddies and jungles of Indochina. The dollar cost of the Vietnamese war pales in comparison to the tragedy which that conflict inflicted on our national unity, faith in our political institutions, and our economic system.

President Nixon's journey to Peking in 1972 was a major step on the path back to reality in dealing with China. This Nixon initiative is still applauded as a courageous and constructive act by Chinese leaders. The Nixon-Chou Shanghai Communique provided a blueprint for the resumed relationship. In the nearly three years since the document was issued, there has been some development of trade and cultural, educational, and scientific exchanges with China. Where does rapprochement stand today? As one Chinese official put it: "Generally speaking, our relationship is good and is moving ahead. But are we satisfied? I cannot say so."

Taiwan

The basic reason for this mixed evaluation is the problem of Taiwan which has remained at a stalemate. Prior to the Nixon visit our China

policy was founded on the proposition that the Chinese who fled to Taiwan from the mainland spoke for the hundreds of millions in China. Even today the government on Taiwan still claims to be the government of China, the only legitimate Chinese government. Technically that claim is still recognized by the United States. Moreover, we remain allied with that government, presumably against the Chinese People's Republic with whom we are attempting to normalize relations.

The provisions of the Shanghai Communique relative to Taiwan read:

> The Chinese side reaffirmed its position: The Taiwan question is the crucial question obstructing the normalization of relations between China and the United States; the Government of the People's Republic of China is the sole legal government of China; Taiwan is a province of China which has long been returned to the motherland; the liberation of Taiwan is China's internal affair in which no other country has the right to interfere; and all U.S. forces and military installations must be withdrawn from Taiwan. The Chinese Government firmly opposes any activities which aim at the creation of "one China, one Taiwan," "one China, two governments," "two Chinas," and "independent Taiwan" or advocate that "the status of Taiwan remains to be determined."
>
> The U.S. side declared: *The United States acknowledges that all Chinese on either side of the Taiwan Strait maintain there is but one China and that Taiwan is part of China. The United States Government does not challenge that position.* It reaffirms its interest in a peaceful settlement of the Taiwan question by the Chinese themselves. With this prospect in mind, it affirms the ultimate objective of the withdrawal of all U.S. forces and military installations from Taiwan. In the meantime, it will progressively reduce its forces and military installations on Taiwan as the tension in the area diminishes. (Italics supplied).

Three years after the Shanghai Communique, conditions in the Western Pacific are more peaceful than they have been for a quarter of a century. Nevertheless, in June 1974 there were still 5,145 U.S. servicemen on Taiwan. Indeed, additional U.S. air power was sent to the island in 1973. Since the signing of the Shanghai Communique, we have also agreed to allow Taiwan to co-produce, U.S. F–5E fighters.

In addition to the active U.S. forces on Taiwan, there is a U.S. military advisory mission of 147 officers and men, a reduction of only 18 since 1972. The basic purpose of this mission is to advise, to equip and to train the Chinese on Taiwan on how best to fight the Chinese from the People's Republic. The mission will cost the U.S. taxpayers about $3.6 million for the current fiscal year. The United States also continues to provide weapons to Taiwan, purchased by means of long-term, low interest credits. In 1973, the fiscal year following the pledge of the Shanghai Communique, U.S. Government credit sales of arms to Taiwan totaled $45.2 million; in fiscal year 1974 they were $60 million; and $80 million in arms credits are scheduled for the current fiscal year.

All this hardly adds up to carrying out the obvious intent of the Shanghai Communique which anticipated our military disengagement.

from Taiwan and the Chinese civil war, a war which ended, for all practical purposes, more than a quarter century ago. In the context of the Shanghai Communique, as long as we are involved militarily on Taiwan, we are involved in China's internal affairs. In my judgment, there has been all too much evasion on this issue. It is in this nation's interests to bring our military posture in the Taiwan area into accord with the Nixon-Chou agreement of 1972. In addition to the heavy costs to the American people of maintaining the military connection with Taiwan, the current approach also inhibits our ability to gear our policies in the Western Pacific to today's realities.

Apart from the military side, there have been inconsistencies in other aspects of our policy. A few months ago, for example, a new ambassador was sent to Taiwan. Similarly, Taiwan was permitted to open two new consulates in the United States in 1974, making a total of five additional Taiwan consulates which have been established on U.S. soil since the signing of the Shanghai Communique: in Atlanta, Kansas City, Portland, Oregon, and on Guam and American Samoa. That is hardly the path to "normalization" of relations with the People's Republic. Government guarantees of private U.S. investments on Taiwan are still being issued and only recently the Export-Import Bank made a $200 million loan to Taiwan at a minimal 6 percent interest and guaranteed an additional $100 million for construction of two nuclear power plants.

The fact that must be faced is that we cannot have it both ways. We cannot strengthen our ties with a claimant government of China on Taiwan and, at the same time, expect to advance a new relationship with the government of the People's Republic of China. The Shanghai Communique was designed as a transitional arrangement; it did not predicate an indefinite ambivalence in our China policy. Chinese officials made it clear that there could be no normalization of relations until the United States terminated diplomatic relations with Taiwan. Even a suggestion made recently that the U.S. Embassy in Taipei and the U.S. Liaison Office in Peking be switched, while keeping the security treaty intact, was regarded as unacceptable by the Chinese.

Chinese leaders emphasized that the surest way to normal relations is via the "Japanese formula." The Japanese, it should be noted, have been able to maintain trade relations with Taiwan, notwithstanding a shift in diplomatic relations to the Chinese People's Republic. For the United States to follow this approach would mean terminating the defense treaty with Taiwan, withdrawing all U.S. troops from Taiwan, and severing diplomatic relations with Taiwan.

Periodically, the possibility of an independent Taiwan under a so-called two-China approach is raised publicly in the United States. Both the Taiwan authorities and the People's Republic agree on one point. Taiwan is a part of China, not an independent political entity. Nor does history give any credence to the concept of an independent Taiwan. There were various Chinese expeditions to Taiwan as early as the second century and Chinese migration to the island began as early as the sixth century. Taiwan was incorporated as a Chinese province in the 14th Century, and large influxes of Chinese came to the island from Fukien and Kwangtung provinces during the 16th and 17th Centuries. In the 17th Century, under the Ching dynasty, Taiwan

was incorporated into Fukien province and later was made into a separate province. The Chinese exercised sovereignty over Taiwan until May 8, 1895 when, under terms of the Treaty of Shimonoseki, ending the Sino-Japanese war, the island was ceded to Japan. For fifty years, Japan exercised control over the island.

In 1943, the United States and the United Kingdom agreed with China that "all territories Japan had stolen from the Chinese, such as Manchuria, Formosa, and the Pescadores, shall be restored to the Republic of China." In keeping with this pledge, the Chinese nationalist forces received the surrender of the Japanese troops on Taiwan in 1945. Chiang Kaishek established a provisional capital at Taipei in December 1949 following his flight from the mainland.

There is no question that Taiwan has been a direct part of China since 1683, excluding the period of the Japanese occupation from 1895–1945. Chinese culture and civilization have prevailed on the island from as early as the 2nd Century. Although a two-China policy may appear to be an easy way out of a difficult situation, in the light of the above circumstances and after the Nixon-Chou Shanghai Communique, I believe that for this nation to pursue such a course would be most inadvisable, if not improper. In my judgment it would not be in our nation's interest or in the interests of stability in the Western Pacific.

As for our defense treaty with Taiwan, it seems to me that it is properly seen as a relic of the past. Treaties are not chiseled in stone. To serve the public interest, treaties like any other aspect of a nation's foreign or domestic policy, must be kept current. We must match our commitments, particularly those which could embroil us in yet another foreign war, to our contemporary interests.

Whatever we may do, the Chinese are confident that one day Taiwan will be reunited with the mainland. While the Chinese leaders insist that "as to how and when Taiwan will be returned" after the United States terminates its ties with the island is their internal affair, they also "hope there will be a peaceful solution."

Trade Matters

China's priorities in foreign trade have emphasized the purchase of goods especially related to the expansion of food production. Major imports have been complete plants, machinery and equipment. Trade is also used to overcome significant bottlenecks in domestic production or internal distribution and for acquiring design prototypes. Until recently, at least, the People's Republic has avoided long-term foreign credits but has used medium and short-term commercial credits to finance some imports.

Total foreign trade in 1959 was about $4.3 billion, when it then dropped, not to reach that level again until 1970. But in 1973 there was an increase to $9 billion, with about a $300 million deficit. It is estimated that trade totaled between $12 billion and $14 billion in 1974, 80 percent of that with non-communist countries. It is too early to tell how the 1974 balance will come out, although China is concerned over the impact of inflation on import prices as well as over the softening of the export market for some of its products. Large amounts of imports planned for 1974, including U.S. grains, have been postponed until 1975.

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PETROLEUM

In 1973 China entered the international oil market with the sale of one million tons of crude oil to Japan and, in the following year, entered into arrangements for substantial shipments to the Philippines. The latter commitment was made in conjunction with the well-received visit of Mrs. Imelda Romualdez Marcos, the wife of the Philippine's President.

China has been self-sufficient in petroleum since 1965 and for several years prior to the 1973 sale to Japan, had been exporting petroleum products to North Vietnam, North Korea, and Albania. The Chinese are now looking to crude oil as a major earner of foreign exchange, to help finance increased imports of industrial plants and equipment. The old slogan, "oil for the lamps of China," used by Western traders to exploit China for so long, has been given an ironic twist.

The continental shelf off China's shore, particularly the areas between Taiwan and Japan and under the Yellow Sea, are considered by many petroleum experts to contain some of the richest oil reserves in the world. China's coastline extends from the Bay of Korea in the North to the Gulf of Tonkin in the South and the continental shelf slopes gently out as far as 200 miles in some places. No one really knows how great the offshore potential is since exploration began only recently. Deep sea drilling rigs have been bought from Japan and additional exploration equipment has been purchased from the United States and other countries. However, most of the petroleum technology being used to develop China's oil resources, offshore and on land, is China's own. China recently announced, for example, the bringing in of its first offshore well in the Yellow Sea, using a rig built in a Shanghai shipyard.

There will be thorny international problems in developing some of the offshore oil potential along Asia's periphery. Following the publication of the results of a 1968 United Nations sponsored geophysical survey of the Chinese continental shelf, Taiwan, Japan and South Korea each advanced overlapping claims to parts of the region. In December 1970 the People's Republic issued its claim to the continental shelf and to ownership of the Senkaku Islands, although the latter are also claimed by Japan and Taiwan. While U.S. policy is to lend no encouragement to exploration in the disputed areas, some U.S. companies have obtained concessions from Taiwan. Specifically, these corporations are Gulf, Amoco, Conoco, Oceanic, Clinton and Texfel. Several of the concessions lie off the Senkakus. However, no U.S. drilling operations have yet been conducted in that area but Amoco, Gulf and Conoco have been involved in drilling off the west coast of Taiwan in the Taiwan straits, with the work being done by American-owned vessels of foreign registry and manned by foreign crews. There have been no U.S. Government investment guarantees issued for these drilling operations.

There is also an oil potential in the Paracel Islands, southeast of Vietnam, claimed by both South Vietnam and China but occupied solely by China. In fact, the People's Republic had a drilling rig on one of the islands at the time of a military encounter there between the two countries in 1974. There are also conflicting claims of China,

South Vietnam, the Philippines and Taiwan to the Spratly Islands which also lie to the southeast of Vietnam. With oil reserves an increasingly important asset, overlapping claims off the Asian littorals contain the seeds of very serious difficulties. While the United States should not shirk participation in international efforts to deal in a rational way with these difficulties, we should not provide government incentives or otherwise lend encouragement to companies which wish to plunge ahead with exploration and development in disputed areas.

In addition to an offshore potential, China has very promising internal oil bearing basins. In fact, the main emphasis is still on land exploration. Estimates of China's total reserves have been consistently revised upwards over the last ten years. Even approximate figures on how much oil China may have are not available. The general view, however, is that the potential is very great.

I was informed that China's oil production was now "in the same range as Algeria's, perhaps a little more." Chinese output is increasing at the rate of twenty percent annually. If this rate is maintained, it would push production to over 400 million tons by 1984, compared with an estimated 60 million plus tons in 1974, making China a major factor in the world petroleum trade.

China sold 5 million tons of crude oil to Japan in 1974, earning about $450 million, and is said to have committed 10 million tons for 1975. Smaller amounts have been sold to the Philippines and Thailand. There are also reports that China has offered to sell oil to U.S. companies. China's 1975 petroleum exports are expected to be double the 1974 level and to continue to climb as new production comes in. Output is limited only by a shortage of equipment and transport.

Some pertinent points about China's oil export potential are brought out by the following excerpt from a recent analysis:

> Peking's plans to expand oil exports substantially during the next five years are borne out by the construction of new oil-handling facilities at the ports of Chin-huang-tao and Tsingtao and the purchase of dredging equipment needed to make Chinese ports deep enough for large tankers of more than 50,000 DWT to transport crude oil for export. The tonnage of tankers in the Chinese international fleet has doubled in the past year and now totals almost 200,000 DWT.
>
> The goal of 50 million tons of crude oil for export in 1980 appears feasible. Reserves are large enough, even without production from offshore fields. If production accelerates, or even if it only continues to grow at 22 percent—the rate achieved during 1965–1972—the PRC could export 50 million tons in 1980 and still provide a generous leeway for using oil to modernize the economy.

As a developing country, China needs increasing amounts of petroleum. The potential for export, therefore, may not be as great as it seems at first glance although it should be substantial because the Chinese do not use energy or any other commodity for that matter in a wasteful or profligate manner. Indeed, if the United States followed even a part of the Chinese practices in the use of petroleum, this nation would be more than self-sufficient.

Eighty percent of China's energy is produced from coal, and coal reserves are estimated to be one-third of the world's total. Every province has some coal. Like oil, coal remains largely unexploited and could eventually become a major export earner.

UNITED STATES-CHINA TRADE

As for U.S.-China trade, no direct commerce existed between the two countries prior to President Nixon's 1972 trip to Peking and for many years, U.S. policies sought to impose even a secondary boycott on such trade. The Shanghai Communique reversed this situation in these words:

> Both sides view bilateral trade as another area from which mutual benefit can be derived, and agreed that economic relations based on equality and mutual benefit are in the interest of the peoples of the two countries. They agreed to facilitate the progressive development of trade between their two countries.

With the opening of the door, a total trade of $96 million was realized in 1972, $64 million being U.S. exports to China. In 1973 U.S. exports totaled $740 million, primarily agricultural commodities, and imports from China were $64 million. It is estimated that 1974 trade totaled $930 million, comprised of $810 million in U.S. exports and $120 million in imports, with this nation second only to Japan in volume of trade with China.[1]

Although the 7 to 1 balance in the U.S. favor may drop to about 3 to 1, along with a decline in total trade in 1975, the ratio would still not provide a sound basis for mutually beneficial trade. The Chinese take the view that "the imbalance is understandable in the short run, but, in the long run, it won't do." Imports from China are likely to increase from the current level but the principal items will continue to be such economically vulnerable consumer items as fabrics, bristles and works of art and crafts. A Chinese commercial delegation will visit the United States later this year to study prospects for expanding exports to this country. Many U.S. businessmen now attend the semiannual Kuang-chou (Canton) trade fairs, 350 in the fall of 1974. Appropriately, the U.S. contingent was second in numbers only to Japan's.

There have been problems in connection with U.S. exports to China, particularly in agricultural commodities. The Chinese have complained about the presence in U.S. wheat shipments of a fungus known as TCK wheat smut. Complaints have also been registered about the quality of corn and soybeans.

Unless new trade arrangements, such as the sale of advanced U.S. technological equipment for Chinese petroleum can be arranged, there is likely to be a major reduction in U.S.-China trade after 1975. If trade shrinks as anticipated, it will not be the result of a political decision by the Chinese. In part, it will result from the inability of the United States to absorb a larger volume of Chinese exports. It should be noted that the United States is not a traditional supplier of agricultural products to China and the great bulk of U.S. sales to China in the past two years has been of these commodities. Canada and Australia are apparently better able to fill this role and, in any event,

[1] For further details see tables in appendix D.

China's own agricultural production is increasing rapidly. There are indications that the Chinese will discontinue purchases of U.S. grain after 1975.

China's exports to the United States have not received most-favored-nation tariff treatment, a situation which aggravates to some degree the imbalance in trade. Chinese exports of toys, for example, have been subject to duties at a rate of 70 percent compared with 10.5 percent for most other nations; carpets 45 percent compared with 15 percent. The precise effect that most-favored-nation treatment would have on our trade with China is uncertain. Clearly, it will have very little impact on an imbalance of the current magnitude. The practical aspects, however, are not as important as the principle involved. Our policies in the 1950's acted to turn trade into a political instrument. In the process various laws were enacted to block and discriminate against trade with the People's Republic. Congress has now given the President authority to negotiate agreements to end this discrimination. Most-favored-nation tariff treatment is not a special favor; it has been a standard U.S. trading practice since the earliest days of the Republic. Failure to return to it at this time, whatever its economic effect, would amount to the continuance of a superfluous political irritant in Sino-U.S. relations.

The Jackson Amendment, relative to freedom of emigration, would appear to have little relevance to the Chinese-U.S. rapprochement. There is a considerable movement of people back and forth between the People's Republic and Hong Kong and then outward migration from the latter. China and Canada have reached an agreement which allows Chinese to join members of their families living in Canada and the possibility exists for a similar arrangement with the United States.

As for the question of frozen assets and blocked claims, there are private American claims against the People's Republic of about $197 million for property losses on the Mainland. Conversely, the Chinese claim that about $80 million in assets have been frozen in the United States since 1950. While this issue remains unresolved, it could constitute a substantial barrier to further normalization of economic relations. It precludes, for instance, direct banking and shipping relations and scheduled air service in the United States by China's airline, since Chinese property even temporarily in the United States could be subject to private legal attachment. Nevertheless, it should be noted that the Chinese do not appear overly concerned and are not now pressing for a quick solution.

Exchanges

Since the breaking of the logjam in U.S.-China relations, educational and cultural exchanges have become a major factor in reestablishing the ties between the American and the Chinese people.

On this point, the Shanghai Communique stated:

> The two sides agreed that it is desirable to broaden the understanding between the two peoples. To this end, they discussed specific areas in such fields as science, technology, culture, sports, and journalism, in which people-to-people contacts and exchanges

would be mutually beneficial. Each side undertakes to facilitate the further development of such contacts and exchanges.

A total of some 8,000 Americans have visited China since 1972, most of them of Chinese descent.[1] The United States has sent to China under exchange arrangements specialists ranging from basketball teams to University presidents, a total of twenty delegations in all from 1972–1974. Chinese groups visiting this nation have included the Shengyang acrobatic troupe, journalists, agronomists and physicians.[2] These exchanges have made a significant contribution to better understanding and improved relations between the two countries. China appears satisfied with the level and scope of the exchanges at the present time but has not ruled out an expansion "if in accord with the requirements of each side . . ."

As for tourism, at this point the demand is entirely one-sided. The Chinese Embassy in Ottawa and the Liaison Office in Washington have been flooded with applications for visits to China and, as indicated, only a very small number, primarily Americans of Chinese ancestry have received visas. There have also been some private visits by a variety of Americans—journalists, scientists, businessmen, educators and others. However, China shows no interest in tourism as a possible source of foreign exchange earnings. The only large group of Americans who have visited China in the category of tourists were those travelling to Kuang-chou (Canton) last Spring on the liners "France" and "Veendam," which stopped in Hong Kong for that purpose. China has very limited facilities such as hotels, interpreting services, automobile transportation, and other essentials of the tourist trade. While additional hotel space is being widely constructed, the expansion is primarily for handling Chinese travelers and foreigners who come to China for official or semi-official purposes. There is little indication that China is interested in tourism as a source of foreign exchange.

On two issues related to exchanges, the Chinese rule out visits by high-level Chinese officials to the United States and the establishment of permanent press offices because of the Taiwan problem. It was pointed out that there would be difficulties "in sending over high-level officials because of the presence in Washington of the Ambassador from Taiwan." The Chinese also say that the presence of accredited news representatives from Taiwan in Washington makes it impossible for the New China News Agency to have newsmen permanently assigned here. When asked about this kind of conflict in press representation at the U.N., the Foreign Minister said that China's press mission had taken the matter up with Secretary General Waldheim and the Taiwan Chinese "press was put out."

Cited as an example of how the Taiwan problem arises to inhibit the unfolding of U.S.-China relations was the controversy concerning the planned press preview of the Chinese Archeological Exhibition at the National Gallery of Art in Washington. "This," it was pointed

[1] One of these visitors was President Ford who, as House Minority Leader, went to China in 1972.

[2] Lists of specialists from both countries and of the U.S. Members of Congress who have visited China under bilateral arrangements are shown in appendixes E and F.

out, "is only a small example. Until the Taiwan question is resolved, these issues will always crop up." [1]

Summary

There has been progress since the Shanghai Communique in restoring ties between the Chinese people and people of this nation. We now communicate with each other officially through our respective Liaison Offices. The mutual learning process has begun anew with Americans visiting China to look, learn, and share their knowledge and Americans welcoming Chinese delegations of athletes, entertainers, scientists, and others. In a period of only three years, the United States has become China's second largest trading partner, although the trade is grossly imbalanced in terms of an excess of U.S. exports over imports.

The United States is no longer involved in fighting on the Asian mainland and other sources of frictions with China throughout the Pacific appear to have been eased. Small, but symbolic, steps in the direction of rapprochement have been taken, such as the repeal of the Formosa Resolution by the Congress.

These steps have led to a plateau where we are now confronted with a last major hurdle to normalization, that is, the question of Taiwan. The Chinese view on both sides is that Taiwan is an integral part of China. That view is recognized by U.S. policy as expressed in the Shanghai communique. On that basis, the Chinese contend that the presence of U.S. military forces on Taiwan and U.S. defense and diplomatic arrangements with the Chinese authorities on the island is an unwarranted interference in Chinese internal affairs. We have not challenged that contention. As a matter of official policy, we have temporized. We have yet to face the Taiwan issue, but if full normalization is to return in Sino-U.S. relations, as it has in the relations of a hundred other nations with China, this issue will have to be met. As it is now, our official relations with the nation containing one-quarter of the world's people, are conducted by means of Liaison Offices in the two countries. They add up to something less than our formal relationship with a small country in Eastern Europe.

III. China's Foreign Policy

The half-way house at which the Sino-U.S. rapprochment has stopped makes it difficult to relate the policies of the two countries at other points where they intersect, notably in the Western Pacific. In this connection, I made every effort to clarify my understanding of Chinese foreign policies especially with regard to other Asian nations.

JAPAN

Though there are great disparities in their economic situations, deep differences in socio-political systems and variances in attitudes toward

[1] At the request of the National League of Families of American Prisoners and Missing in Southeast Asia, I raised one other point with Chinese officials. Called to their attention was the absence of information on Lt. Joseph P. Dunn, Petty Officer Reuben B. Harris, and Petty Officer Kenneth W. Pugh, who according to a League representative, were shot down near the Chinese border during the Vietnam war. I asked, as well, for China's assistance wherever possible in obtaining an accounting for missing Americans in that war. The Chinese were prepared to carry out an investigation if they were thought to be in China, "but if they are in North Vietnam or Laos * * * this is not in the scope of our country, we cannot do anything."

certain international questions, Sino-Japanese relations have markedly improved since mid-1972. Despite memories of Japan's military and political role in China in the first half of this century, there appear to be no issues on a bilateral level which interfere with the development of normal relations between the two countries. The problem of Taiwan, for example, where Japanese economic interests are very extensive has been resolved as noted below in a manner acceptable to both. The Nixon initiative in opening the door to U.S.-China contact precipitated the visit to China in September 1972 of the Japanese Prime Minister, Kakuei Tanaka. There followed, promptly, the establishment of diplomatic ties between the two countries. In this connection, both governments made significant concessions. The Japanese recognized the People's Republic as the sole legitimate government of China and stated that it "fully understood" China's position that Taiwan was an inseparable part of the People's Republic of China. Whereupon the Japanese broke relations with Taiwan but have continued to trade and to maintain contact through an unofficial organization on that island. Subsequently, the Japanese signed several agreements with the Chinese, including an air transport agreement in April 1974.[1] For its part, the People's Republic of China did not raise the question of reparations with Japan and has placed no obstacles in the way of continued Japanese trade with Taiwan where Japan has substantial investments.

The total trade between Japan and China reached approximately $2 billion in 1973.[2] China is increasing its level of exports of petroleum to Japan. While the 5 million tons exported in 1974 will fill only a small part of Japan's needs, exports of crude are due to be increased over the next few years. How far they can go in meeting a significant portion of Japan's requirements is problematical. Whatever the size, however, they should prove to be an important earner of exchange for China, and, hence, a lubricant in the expansion of Sino-Japanese trade.

The current Chinese view of Soviet military concentrations along the border areas of Northeast China is that they are aimed primarily at U.S. forces in and around Japan and secondarily at China and Japan. Although the Chinese are basically opposed to the stationing of foreign troops in other countries, under present circumstances and conditions, the issue of the continued U.S. military presence in Japan is not being pressed. On the contrary, it is suggested that Japan and the United States should maintain close relations.

INDOCHINA

China remains critical of aspects of U.S. policy in Indochina, notwithstanding the termination of the direct military involvement in

[1] The air transport agreement has been a source of some difficulty for Japan which acceded to the Chinese request that China Airlines from Taiwan not be considered as a carrier representing a state and that the flag marks of the aircraft belonging to Taiwan not be recognized as representing a national flag. Japan's action caused the Taiwan authorities to halt flights between Japan and Taiwan by both Japan Air Lines and their own China Airlines.

[2] Recently, however, China asked Japanese suppliers for a delay in the delivery of 160,000 tons of urea fertilizer and 60,000 tons of ammonium sulphate which had been scheduled for November and December 1974. Additionally, China is reported to have asked a delay in payments for six months on a steel purchase from Japan which was to be delivered in the same period. These actions are in line with China's basic and long-standing foreign trade policy of attempting to keep some balance between purchases and sales.

Vietnam. In this connection, as in others, the word "messy" occurs as a description of the execution of a policy after the concept has been soundly designed. China appears content for the present, however, to see a continuation of two Vietnams, left to work out relations between themselves in line with the Paris Peace Agreement.

The People's Republic has satisfactory relations with the current unified government of Laos. There are several factors which tend to sustain this state of affairs. The Chinese have championed Laotian neutrality and independence since the first Geneva Conference in 1954. They have also provided aid to the Laotians, notably in the form of a road network which is gradually being extended southward from the Chinese border. It is reported that promises have also been made to provide such much needed commodities as rice, gasoline and cement.

With regard to Cambodia, China's position is clear. The government headed by Prince Sihanouk is fully supported as the only authentic and legitimate authority in that country. It regards that government, not as one in exile but as present on Cambodian soil in the form of the unified Cambodian resistance. Here again, U.S. support for the Lon Nol Government and the effort to promote a coalition through that medium is regarded as a "messy" policy unrelated to the realities of the Cambodian situation. From the Chinese viewpoint, a unified, neutral Cambodia is an essential to neutral and independent states in a stabilized Indo-China and the intervention of the United States in Cambodia is seen as a factor which only tends to prolong the conflict.

THAILAND

The basic Chinese principle of opposition to stationing foreign troops in other lands is also applied to Thailand. That principle does not translate, however, into an active insistence at this time that the U.S. withdraw from Thailand. As the Chinese see it, that is a problem for the United States and Thailand.

Actually the Chinese have moved to improve relations with the latter country. General principles of future trade were agreed on when the Thai deputy Foreign Minister visited Peking in 1973. A contract was signed for the delivery to Thailand of 50,000 tons of diesel oil. From the Thai side, however, a number of considerations such as concern over the large Chinese minority in Thailand, estimated to be as many as 4 million, and the inability of the Thai Government to obtain National Assembly repeal of the decree forbidding trade with China have slowed the normalization of relations. Nevertheless, the process is under way.

SOUTH ASIA

There were no expressions of anxiety on the part of the Chinese leaders over the Indian detonation, recently, of a nuclear device. Indian policy toward the buffer states between China and India, such as Bhutan, Nepal, and Sikkim, however, does give rise to Chinese concern since these states have ethnic, cultural and historic links with China as well as with India. It is conceivable that an activist Indian Himalayan border policy, together with close Indian cooperation with the Soviet Union, could be seen as posing a threat to Chinese security

and territorial integrity in that region. The advance of Soviet military power in the Indian Ocean is a factor in this situation. While the Chinese do not urge any particular U.S. reaction, it is clear that it was believed that what one superpower does should not escape the notice of the other.

KOREA

On Korea, the Chinese position is unequivocal. It is that the United States forces should be removed from South Korea without further delay, especially since Chinese forces were removed from the north many years ago. While the Chinese leaders did not indicate how they visualized the future of Korea following such a withdrawal of U.S. forces, there was no indication that they expected that it would be followed by North Korean military action. On the contrary, if anything, aggression was seen as coming from the other direction.

THE UNITED NATIONS

The Chinese see the United Nations as in a transition with which they are not dissatisfied. In the pursuit of their objectives, the U.N. has come to be regarded as a useful forum for discussion and exchanges of views and for mobilizing world opinion, particularly third world opinion. The Chinese point out that the old "voting machine" in the United Nations has broken down, which means that the United States or other developed countries can no longer automatically control the positions that will be taken by the United Nations.

Notwithstanding their general satisfaction with this change, the Chinese are realistic in noting the very limited effectiveness of the United Nations and the resolutions which are adopted in that organization. The People's Republic finds its own views and sympathies coinciding in large measure with the positions and aspirations of the new and developing nations of the third world. The Chinese are wary of being labeled "leader" of the third world or of any other bloc for that matter. Nevertheless, they do have strong links to third world nations and maintain these links with skill and with marked success.

China also firmly rejects the appellation of "superpower," a term regarded with scorn. Notwithstanding this attitude, China has been formally recognized as a great power by its permanent seat on the Security Council. In that role China has emerged both in the United Nations and in its specialized agencies as a major leader and spokesman for the developing nations.

Keenly aware of the limits of its own resources in relation to its own growing needs and firmly wedded to the principle of self-reliance, China is not striving to become a major source of material assistance to the developing nations. By strict self-control, China has fitted its needs to its resources and in doing so has acquired self-confidence and pride in its independence. The development of the country may have been slower and more painful, but it has been sound. The Chinese are not averse therefore, to replying "don't count on us" to expectations of large scale contributions to international development schemes and in lieu thereof tend to counsel a philosophy of self-reliance. In this context, China sympathizes with and supports the desire of the less developed countries to obtain the greatest possible return for the

sale of their raw materials. They have not entirely successfully reconciled, however, their support for high prices for the oil producing states and the needs of the poorer developing countries for petroleum, especially for the production of food.

China's views on disarmament are clear. Failing what they regard as a meaningful move to bring about general disarmament, the Chinese are unlikely to associate themselves with interim measures. They see a continuing arms race between the United States and the Soviet Union and claim that each nuclear arms limitation agreement between the two superpowers has been followed by a rapid increase in nuclear armaments, notably on the part of the Soviet Union.

For their own part, the Chinese disclaim any intention of entering the nuclear arms race. They are continuing their own nuclear arms program in order to strengthen their ability to resist nuclear blackmail. They insist, however, that they will not be the first to use nuclear weapons nor will they divert resources needed for China's economic and social development to engage in a numbers game in weaponry.

IV. Concluding Observations

The changes in China are overwhelming in the perspective of visits to the old China which began in the 1920's and occurred again in 1944 and in 1946. Even the progress since my previous visit in 1972 is obvious.

China's system is operating with great dynamism; it has created a new nation on the theme of self-reliance which looks to the future with confidence. Development is planned on the basis of wide diffusion throughout the country with as much self-sufficiency as possible in each region. Factories, houses, schools and other buildings in great number are under construction in urban areas. Construction in the countryside is equally active. Farm acreage is growing rapidly on the basis of immense irrigation and flood control works. As the tracts grow larger, moreover, tractors and other farm machinery are appearing increasingly in the fields. The nation is alive with constructive activity.

Measured against the past, tremendous progress has been made. The basic needs for food, clothing, shelter, and good health care are being met by stressing frugality and restraint and by accenting the common good. China is still a poor country by standards familiar to this nation, a reality which is recognized by the Chinese leaders. Invariably, any reference to material progress anywhere in China is suffixed by some statement such as "much more remains to be done." In short, pride in accomplishment is tempered by a determination to achieve greater advances.

Chairman Mao's theories are now imbedded in the fabric of China's daily life. They have produced a system which is here to stay. There may be tinkering with details and political infighting over who administers the system, but the basic framework of Maoism will not be changed. Our policy should be adjusted to that reality.

There are no signs that China is bent on the oppression or domination of other nations. All present indications are that the People's Republic is intent on internal progress and that its military efforts

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are minimal in terms of its own defense. Expressions of superiority are absent from its policies which appear rooted in the principle that all nations should be free of outside domination and influence. To the extent that labels accurately generalize, China is not a "superpower" but a "second world" nation which enjoys great respect in the "third world." There is much that countries in both categories can learn from China.

For too long the United States policy toward China was based on myths. Some of those myths have been cleared away by the Nixon-Mao-Chou meetings of 1972 and various exchanges thereafter. Since the Shanghai Communique, liaison offices have opened in both countries with limited functions. Trade and other exchanges have taken place at a modest rate. These developments have been useful but now appear to have reached a plateau. The issue of Taiwan is a block to further significant progress toward normalization.

On this issue, it should be noted that U.S. forces have not been reduced appreciably let alone removed from Taiwan. Formal diplomatic relationships with Taiwan have not been terminated; indeed, a defense treaty with the Chinese authorities on Taiwan still links us in a formal sense with their view that the People's Republic is an enemy. U.S. policies on this critical question, in short, are still saddled with anachronisms. We lag behind a hundred nations in dealing with a fundamental reality of the situation in Asia. We remain tied to a past which is fast receding into history and which has little relevance to the contemporary needs of the United States.

APPENDIXES

APPENDIX A

ITINERARY OF THE VISIT OF THE HONORABLE MIKE MANSFIELD MAJORITY LEADER, UNITED STATES SENATE TO THE PEOPLE'S REPUBLIC OF CHINA, DECEMBER 9–30, 1974

Monday, December 9, 1974

Afternoon: (1) Arrived in Shanghai. (2) Attended working luncheon hosted by the Foreign Affairs Group of the Shanghai Revolutionary Committee followed by a tour of Shanghai. (3) Departed for Peking via Chinese commercial airlines (CAAC).

Evening: Arrived in Peking.

Tuesday, December 10

Morning: Visited Peking University.

Lunch: Attended working luncheon at the International Club, hosted by Mr. Chou Chi-yeh, Vice-Director, Chinese People's Institute of Foreign Affairs; also attended by Vice Foreign Minister Wang Hai-jung.

Afternoon: Met with Foreign Minister Ch'iao Kuan-hua.

Evening: Attended working dinner hosted by Foreign Minister Ch'iao Kuan-hua.

Wednesday, December 11

Morning: (1) Met with Ambassador Etienne Manac'h, French Ambassador to the People's Republic of China. (2) Received a briefing from the staff of the United States Liaison Office.

Afternoon: Inspected operations of the Peking Number One Tapestry Factory.

Evening: Attended reception hosted by John Holdridge, Acting Chief, U.S. Liaison Office, followed by a tour of Ambassador Bush's residence.

Thursday, December 12

Morning: (1) Visited the Peking Arts and Crafts Factory. (2) Met with Vice Premier Teng Hsiao-ping in the Great Hall of the People followed by a luncheon hosted by the Vice Premier.

Afternoon: Met with Premier Chou En-lai at hospital.

Friday, December 13

Afternoon: Met with Foreign Minister Ch'iao Kuan-hua.

Evening: Attending working dinner hosted by Mr. Chou Chi-yeh, Vice-Director, Chinese People's Institute of Foreign Affairs.

Saturday, December 14

Morning: (1) Departed for Cheng-chou, Honan Province. (2) Arrived in Cheng-chou. (3) Visited the Cheng-chou Textile Machine Plant.

Afternoon: Members of Mission visited the Yellow River Exhibition showing methods of controlling the Yellow River followed by a visit to the Yellow River.

Evening: Members of Mission attended a working dinner hosted by the Vice Chairman of the Revolutionary Committee for Honan Province, followed by a cultural performance.

Sunday, December 15

Afternoon: Departed for Hsin-hsiang by car. Enroute visited the Chi Li Yeng Commune.

Monday, December 16

Morning: Toured rural areas of Huihsien County.
Afternoon: Departed Hsin-hsiang by train for Lo-yang.
Evening: Arrived in Lo-yang.

Tuesday, December 17

Morning: Visited Lo-yang Tractor Factory.
Afternoon: Visited Lung Men Cave area on Yi River, followed by a tour of the Lo-yang Museum.
Evening: (1) Departed by train for Cheng-chou. (2) Arrived Cheng-chou.

Wednesday, December 18

Afternoon: (1) Departed Cheng-chou by plane for Yenan, Shensi Province, via Sian (change of plane in Sian). (2) Visited various sites where Chairman Mao Tse-tung lived or worked from 1937 to 1947.

Thursday, December 19

Morning: Visited additional historic sites in Yenan.
Afternoon: (1) Departed Yenan by plane for Kuei-lin via Sian (change of plane in Sian). (2) Arrived Kuei-lin, Kwangsi Chuang Autonomous Region.

Friday, December 20

Morning and Afternoon: Had discussions with local officials concerning the Kwei-lin area, followed by tour of various points of interest.
Evening: Attended working dinner hosted by official of the Kuei-lin Revolutionary Committee.

Saturday, December 21

Morning and Afternoon: Toured the countryside and visited communes and other points of interest in the Kuei-lin area.
Evening: Attended a cultural performance.

Sunday, December 22

Morning: (1) Departed Kuei-lin via plane for Nan-ning, capital of the Kwangsi Chuang Autonomous Region. (2) Arrived Nan-ning.
Afternoon: Met with local officials for further discussions on the handling of national minorities in the Region.
Evening: Attended working dinner given by official of the Kwangsi Chuang Revolutionary Committee, followed by a program featuring folk songs and dancing by national minorities.

Monday, December 23

Morning and Afternoon: Toured rural areas in the vicinity of Nan-ning, including a visit to the Double Bridge Commune and discussions with officials of Wu-ming County.

Tuesday, December 24

Morning: (1) Departed Nan-ning via plane for Kun-ming, Yunnan Province. (2) Arrived in Kun-ming. (3) Toured the Institute of National Minorities.
Afternoon: Visited the Kun-ming Industrial Exhibition of Yunnan Province.
Evening: Attended working dinner hosted by an official of the Revolutionary Committee of Yunnan Province.

Wednesday, December 25

Morning and Afternoon: Toured national minority rural areas and visited the Stone Forest Park.

Thursday, December 26

Morning: Visited historic and scenic sites in Kun-ming area.
Afternoon: Visited Number Two Kun-ming Machine Tool Plant.

Friday, December 27

Morning: (1) Departed Kun-ming for Kuang-chou (Canton), Kwangtung Province. (2) Arrived in Kuang-chou.
Afternoon: Toured the countryside in Kwangtung Province; stayed overnight at Chung Hwa.

Saturday, December 28

Morning: Returned to Kuang-chou; en route inspected the Lui Hsi Ho power plant and dam.

Missions to China by Senator Mansfield

U. S. S. R.

MONGOLIA

URUMCHI

KASHGAR

PAO-TOU

SHEN-YANG

NORTH KOREA

PEKING

TIENTSIN

SOUTH KOREA

TSINGTAO

JAPAN

PAK.

C H I N A

LAN-CHOU

YENAN

HSIN-HSIANG

LO-YANG

CHENG-CHOU

SIAN

SHANGHAI

WU-HAN

HANG-CHOU

GUAM

CHENG-TU

CHUNGKING

NEPAL

SIKKIM

BHUTAN

CHANG-SHA

CHABUA

FU-CHOU

INDIA

MYITKYINA

KUEI-LIN

BANGLADESH

TAIWAN

KUN-MING

(CANTON)
KUANG-CHOU

NAN-NING

HONG KONG

BURMA

LAOS

NORTH VIETNAM

PHILIPPINES

THAILAND

1921-22 (As a U.S. Marine)
1944 (As a member of the House of Representatives)
1946 (As a member of the House of Representatives)
1972 (With Senator Hugh Scott)
1974

0 100 200 300 400 500 MILES
0 100 200 300 400 500 KILOMETERS

Afternoon: Toured the Kuang-chou Trade Exposition (Canton Trade Fair).
Evening: Attended working dinner hosted by officials of Kwangtung Province, followed by a cultural performance.

Sunday, December 29

Morning: Visited the Peasant Movement Institute founded by Chairman Mao.
Evening: Hosted dinner for our Chinese hosts, who had accompanied the party during its travels.

Monday, December 30

Morning: (1) Departed Kuang-chou via train for Shumchun station at border. (2) Arrived at Shumchun station and crossed border to Lo Wu station, Hong Kong.

APPENDIX C

Shanghai: Joint Communique

Text of the Joint Statement Issued at the Conclusion of the President Nixon's Visit to the People's Republic of China, February 27, 1972

President Richard Nixon of the United States of America visited the People's Republic of China at the invitation of Premier Chou En-lai of the People's Republic of China from February 21 to February 28, 1972. Accompanying the President were Mrs. Nixon, U.S. Secretary of State William Rogers, Assistant to the President Dr. Henry Kissinger, and other American officials.

President Nixon met with Chairman Mao Tse-tung of the Communist Party of China on February 21. The two leaders had a serious and frank exchange of views on Sino-U.S. relations and world affairs.

During the visit, extensive, earnest and frank discussions were held between President Nixon and Premier Chou En-lai on the normalization of relations between the United States of America and the People's Republic of China, as well as on other matters of interest to both sides. In addition, Secretary of State William Rogers and Foreign Minister Chi Peng-fei held talks in the same spirit.

President Nixon and his party visited Peking and viewed cultural, industrial and agricultural sites, and they also toured Hangchow and Shanghai where, continuing discussions with Chinese leaders, they viewed similar places of interest.

The leaders of the People's Republic of China and the United States of America found it beneficial to have this opportunity, after so many years without contact, to present candidly to one another their views on a variety of issues. They reviewed the international situation in which important changes and great upheavals are taking place and expounded their respective positions and attitudes.

The U.S. side stated: Peace in Asia and peace in the world requires efforts both to reduce immediate tensions and to eliminate the basic causes of conflict. The United States will work for a just and secure peace: just, because it fulfills the aspirations of peoples and nations for freedom and progress; secure, because it removes the danger of foreign aggression. The United States supports individual freedom and social progress for all the peoples of the world, free of outside pressure or intervention. The United States believes that the effort to reduce tensions is served by improving communications between countries that have different ideologies so as to lessen the risks of confrontation through accident, miscalculation or misunderstanding. Countries should treat each other with mutual respect and be willing to compete peacefully, letting performance be the ultimate judge. No country should claim infallibility and each country should be prepared to re-examine its own attitudes for the common good. The United States stressed that the peoples of Indochina should be allowed to determine their destiny without outside intervention; its constant primary objective has been a negotiated solution; the eight-point proposal put forward by the Republic of Vietnam and the United States on January 27, 1972 represents a basis for the attainment of that objective; in the absence of a negotiated settlement the United States envisages the ultimate withdrawal of all U.S. forces from the region consistent with the aim of self-determination for each country of Indochina. The United States will maintain its close ties with and support for the Republic of Korea; the United States will support efforts of the Republic of Korea to seek a relaxation of tension and increased communications in the Korean peninsula. The United States places the highest value on its

friendly relations with Japan; it will continue to develop the existing close bonds. Consistent with the United Nations Security Council Resolution of December 21, 1971, the United States favors the continuation of the ceasefire between India and Pakistan and the withdrawal of all military forces to within their own territories and to their own sides of the ceasefire line in Jammu and Kashmir; the United States supports the right of the peoples of South Asia to shape their own future in peace, free of military threat, and without having the area become the subject of great power rivalry.

The Chinese side stated: Wherever there is oppression, there is resistance. Countries want independence, nations want liberation and the people want revolution—this has become the irresistible trend of history. All nations, big or small, should be equal; big nations should not bully the small and strong nations should not bully the weak. China will never be a superpower and it opposes hegemony and power politics of any kind. The Chinese side stated that it firmly supports the struggles of all the oppressed people and nations for freedom and liberation and that the people of all countries have the right to choose their social systems according to their own wishes and the right to safeguard the independence, sovereignty and territorial integrity of their own countries and oppose foreign aggression, interference, control and subversion. All foreign troops should be withdrawn to their own countries.

The Chinese side expressed its firm support to the peoples of Vietnam, Laos and Cambodia in their efforts for the attainment of their goal and its firm support to the seven-point proposal of the Provisional Revolutionary Government of the Republic of South Vietnam and the elaboration of February this year on the two key problems in the proposal, and to the Joint Declaration of the Summit Conference of the Indochinese Peoples. It firmly supports the eight-point program for the peaceful unification of Korea put forward by the Government of the Democratic People's Republic of Korea on April 12, 1971, and the stand for the abolition of the "U.N. Commission for the Unification and Rehabilitation of Korea." It firmly opposes the revival and outward expansion of Japanese militarism and firmly supports the Japanese people's desire to build an independent, democratic, peaceful and neutral Japan. It firmly maintains that India and Pakistan should, in accordance with the United Nations resolutions on the India-Pakistan question, immediately withdraw all their forces to their respective territories and to their own sides of the ceasefire line in Jammu and Kashmir and firmly supports the Pakistan Government and people in their struggle to preserve their independence and sovereignty and the people of Jammu and Kashmir in their struggle for the right of self-determination.

There are essential differences between China and the United States in their social systems and foreign policies. However, the two sides agreed that countries, regardless of their social systems, should conduct their relations on the principles of respect for the sovereignty and territorial integrity of all states, non-aggression against other states, non-interference in the internal affairs of other states, equality and mutual benefit, and peaceful coexistence. International disputes should be settled on this basis, without resorting to the use or threat of force. The United States and the People's Republic of China are prepared to apply these principles to their mutual relations.

With these principles of international relations in mind the two sides stated that:

Progress toward the normalization of relations between China and the United States is in the interests of all countries;

Both wish to reduce the danger of international military conflict;

Neither should seek hegemony in the Asia-Pacific region and each is opposed to efforts by any other country or group of countries to establish such hegemony; and

Neither is prepared to negotiate on behalf of any third party or to enter into agreements or understandings with the other directed at other states.

Both sides are of the view that it would be against the interests of the peoples of the world for any major country to collude with another against other countries, or for major countries to divide up the world into spheres of interest.

The two sides reviewed the long-standing serious disputes between China and the United States. The Chinese side reaffirmed its position: The Taiwan question is the crucial question obstructing the normalization of relations between China and the United States; the Government of the People's Republic of China is the sole legal government of China; Taiwan is a province of China which has long been returned to the motherland; the liberation of Taiwan is China's internal affair in which no other country has the right to interfere; and all U.S. forces

and military installations must be withdrawn from Taiwan. The Chinese Government firmly opposes any activities which aim at the creation of "one China, one Taiwan," "one China, two governments," "two Chinas," and "independent Taiwan" or advocate that "the status of Taiwan remains to be determined."

The U.S. side declared: The United States acknowledges that all Chinese on either side of the Taiwan Strait maintain there is but one China and that Taiwan is a part of China. The United States Government does not challenge that position. It reaffirms its interest in a peaceful settlement of the Taiwan question by the Chinese themselves. With this prospect in mind, it affirms the ultimate objective of the withdrawal of all U.S. forces and military installations from Taiwan. In the meantime, it will progressively reduce its forces and military installations on Taiwan as the tension in the area diminishes.

The two sides agreed that it is desirable to broaden the understanding between the two peoples. To this end, they discussed specific areas in such fields as science, technology, culture, sports and journalism, in which people-to-people contacts and exchanges would be mutually beneficial. Each side undertakes to facilitate the further development of such contacts and exchanges.

Both sides view bilateral trade as another area from which mutual benefit can be derived, and agreed that economic relations based on equality and mutual benefit are in the interest of the peoples of the two countries. They agree to facilitate the progressive development of trade between their two countries.

The two sides agreed that they will stay in contact through various channels, including the sending of a senior U.S. representative to Peking from time to time for concrete consultations to further the normalization of relations between the two countries and continue to exchange views on issues of common interest.

The two sides expressed the hope that the gains achieved during this visit would open up new prospects for the relations between the two countries. They believe that the normalization of relations between the two countries is not only in the interest of the Chinese and American peoples but also contributes to the relaxation of tension in Asia and the world.

President Nixon, Mrs. Nixon and the American party expressed their appreciation for the gracious hospitality shown them by the Government and the people of the People's Republic of China.

APPENDIX D

1. UNITED STATES-PEOPLES REPUBLIC OF CHINA TRADE STATISTICS

[In millions of dollars]

	1971	1972	1973	1974 (projected)
U.S. exports to People's Republic of China (total)		63.5	[1] 689.1	810
Agricultural:		57.2	[1] 571.7	660
Wheat		33.0	[1] 277.7	
Corn		23.0	[1] 132.3	
Cotton			100.5	
Soybeans and oil		2.2	[1] 61.2	
Nonagricultural		2.0	117.4	150
Aircraft and parts			58.7	
Iron and steel scrap			24.2	
Other manufactures (mainly electronics equipment, chemicals, fertilizers, and artificial fibers)		2.0	34.5	
U.S. imports from People's Republic of China (total)	5	32.4	63.7	120
Cotton fibers, woven		1.6	6.7	
Raw silk		2.4	4.3	
Clothing		.8	1.6	
Food, beverages		4.3	25.4	
Antiques, works of art		3.5	5.6	
Bristles		6.7	7.1	
Essential oils		.3	1.5	
Wood and resin-based chemical products		.2	1.5	
Tin and tin alloys		.6	7.8	
Antimony, unwrought		1.0		
All other		11.0	2.2	

[1] U.S. exports to People's Republic of China do not include $50,600,000 worth of U.S. wheat, corn and soybeans transshipped through Canada during 1973. Thus, total U.S. exports to the People's Republic of China, including the goods transshipped, were $739,700,000.

Source: U.S. Department of State.

2. U.S. AGRICULTURAL EXPORTS TO THE PEOPLE'S REPUBLIC OF CHINA [1]
CALENDAR YEAR 1973 AND 1974

Commodity	Quantity (million tons)		Value (U.S. dollars) [2]	
	1973	1974	1973	1974 [3]
Wheat	2,649	1,892	277,701,000	232,493,000
Corn	1,393	854	132,384,000	95,671,000
Total grain	4,042	2,746	410,085,000	328,164,000
Cotton [4]	610	775	100,527,000	183,187,000
Soybeans	198	626	43,365,000	140,483,000
Soybean oil	58	0	17,863,000	0
Tobacco	542	996	1,359,000	2,718,000
Tallow	3	18	1,344,000	7,539,000
Other			433,000	164,000
Total			574,976,000	662,255,000

[1] Data from USDA, Foreign Agricultural Service (U.S. Bureau of the Census statistics).
[2] Values are FAS (freight alongside).
[3] Data are for January–November 1974 and are assumed to be within US$1,000,000 to US$2,000,000 of total for calendar year 1974 because it is doubted that little if any wheat or cotton were shipped during December 1974.
[4] Running bales of 500 lb.

Source: U.S. Consulate General, Hong Kong.

3. U.S. AGRICULTURAL EXPORTS TO THE PEOPLE'S REPUBLIC OF CHINA, CALENDAR YEAR 1974—ESTIMATES OF POSTPONED OR CANCELED SHIPMENTS [1]

Commodity	Quantity (metric tons)	Value (U.S dollars)
Wheat [3]	900,000	159,000,000
Corn [4]	940,000	101,000,000
Soybeans: [5]		
Lower estimate	255,000	45,250,000
Higher estimate	355,000	73,750,000
Total calendar year 1974:		
Lower estimate		305,250,000
Higher estimate		333,750,000

[1] Includes estimates of that portion of purchases which were to be shipped in calendar year 1974 out of commodities originally destined for shipment during marketing years 1973–74 and 1974–75, but which will not be delivered during calendar year 1974 because of cancellation or postponement.
[2] Estimated values derived from fob prices at estimated dates or original purchase.
[3] Delivery postponed until calendar year 1975.
[4] Purchase canceled. An additional 300,000 mt of corn for delivery in calendar year 1975 was also canceled. (Estimated value: U.S. $32,000,000)
[5] Purchases canceled. A total of 55,000 mt not shipped in marketing year 1973–74 and 600,000 mt to be shipped in marketing year 1974–75 were canceled. Two estimates are made: (1) ¼ of the 600,000 mt to be shipped in calendar year 1974 (plus 55,000 mt); and (2) ¼ of the 600,000 mt to be shipped in calendar year 1974 (plus 55,000 mt). The balance of (1) 450,000 mt or of (2) 300,000 mt which was originally scheduled for delivery in calendar year 1975 was also canceled; an additional "loss" of either U.S.$94,500,000 or US$63,000,000.

Source: U.S. Consulate General, Hong Kong.

APPENDIX E

EXCHANGES JOINTLY FACILITATED BY THE GOVERNMENTS OF THE UNITED STATES AND THE PEOPLE'S REPUBLIC OF CHINA [1]

To People's Republic of China	To United States
1972:	
Computer delegation.	Table tennis team.
National Committee on US–China Relations delegation.	Medical group.
	Scientists.
	Shenyang acrobats.
1973:	
National Committee on US–China Relations delegation.	Journalists.
	Gymnasts.
Committee on Scholarly Communication with the PRC delegation.	Linguists.
	Hydrotechnicians.

EXCHANGES JOINTLY FACILITATED BY THE GOVERNMENT OF THE UNITED STATES AND THE PEOPLE'S REPUBLIC OF CHINA[1]—Continued

To People's Republic of China	To United States
Swimmers/divers.	Physicists.
Basketball teams.	Insect hormone group.
Teachers.	Librarians.
Philadelphia Orchestra.	Computer group.
Physicists.	Medical group.
Medical group.	
Archaeologists.	
Child development group.	
National Council for US–China Trade delegation.	
1974:	
State governors.	Seismologists.
Acupuncture-anaesthesia group.	Laser group.
Herbal pharmacology group.	Agronomists.
Plant scientists.	Pharmacologists.
Seismologists.	Plants specialists.
Linguists.	Archaeological exhibit and working groups.
University presidents.	
Tentatively Scheduled for 1975:	
Schistosomiasis group.	Chinese Scientific and Technical Association delegation.
Early man group.	Molecular biologists.
Insect control group.	Solid state physicists.
Solid state physics group.	Immunologists.
Rural small-scale industry group.	Petro-chemical industry group.
World affairs organizations leaders.	Communications techniques group.
Mayors and municipal officials.	Industrial automation group.
Track and field amateur team.	Chinese art troupe.
	Badminton team.
	China Council for Promotion of International Trade delegation.

[1] Exclusive of Congressional delegations.

APPENDIX F

CONGRESSIONAL DELEGATIONS TO THE PEOPLE'S REPUBLIC OF CHINA

1972:	
April	Senator Mansfield.
	Senator Scott.
June	Representative Boggs.
	Representative Ford.
1973:	
July	Senator Magnuson.
	Representative Morgan.
	Senator Sparkman.
	Representative Maillard.
	Representative McFall.
	Senator McGee.
	Senator Griffin.
	Representative Pettis.
1974:	
July	Senator Jackson.
September	Senator Fulbright.
	Representative Frelinghuysen.
	Representative Zablocki.
	Representative Broomfield.
	Senator Fong.
	Senator Humphrey.
	Representative Jordan.
December	Senator Mansfield.

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APPENDIX G

SPEECH BY SENATOR MIKE MANSFIELD (D., MONTANA) AT THE UNIVERSITY OF MONTANA, MISSOULA, MONT., FRIDAY, MARCH 29, 1968

China: Retrospect and Prospect

Viet Nam is heavy on the heart of the nation. The Vietnamese war is a tragedy. It is a tragedy in the American lives which it claims. It is a tragedy in the death and devastation which, in the name of salvation, it has spread throughout Viet Nam.

My views on United States policy respecting Viet Nam are no secret. I have stated them, restated them, and elaborated them many times. I have cautioned against an ever-deepening military involvement in that conflict. I am opposed to any increase in it today. I believe that the way out of a barbarous situation is not to go further into it.

The first step towards peace, in my judgment, is to concentrate and consolidate the U.S. military effort and to escalate the peace-effort, looking towards the negotiation of an honorable end of the conflict.

That, in brief, is the way I feel about Viet Nam. That is the way I have felt about it for a long time. The President knows it. The Senate knows it. Montana knows it.

What I have to say to you, today, touches only indirectly on Viet Nam. My remarks are intended to go beyond Viet Nam to what may well be the roots of the war. In this first lecture of the series on international affairs, I wish to address your attention to what is the great void in the foreign relations of this nation—to the question of China.

As a nation, we have lived through a generation in only hearsay association with a third of the entire human race. At the inception of this void, we were engaged in a costly and indecisive conflict in Korea—on China's northeast frontier. Two decades later, we are engaged once again in a costly and indecisive conflict, this time on China's southeast frontier. These two great military involvements on the Chinese periphery are not unrelated to the absence of relevant contact between China and the United States.

Sooner or later a tenuous truce may be achieved in Viet Nam even as a truce was achieved in Korea. In my judgment, however, there will be no durable peace in Korea, Viet Nam, or anywhere else in Asia unless there is a candid confrontation with the problems of the Sino-U.S. relationship.

China needs peace if the potentials of its culture are to be realized. This nation needs peace for the same reason. In this day and age, the world needs peace for civilized survival. You young people have the greatest stake in peace. For that reason, I ask you to look beyond Viet Nam, behind Korea, to what may well be the core of the failure of peace in Asia—to the U.S.-Chinese estrangement of two decades.

In 1784, Robert Morris, a signer of the Declaration of Independence, sent the first American clipper ship to trade with China. The year that President George Washington took the oath of office, 1789, fourteen American ships were riding at anchor in the Pearl River off Canton in South China.

There are no American ships in Chinese ports today. There have not been for almost twenty years. In twenty years, hardly an American doctor, scientist, businessman, journalist, student, or even a tourist has set foot in China.

Across the Pacific Ocean, we and the Chinese glare at one another, uncomprehendingly, apprehensively, and suspiciously. In the United States, there is fear of the sudden march of Chinese armies into Southeast Asia. In China, there is fear of a tighter American encirclement and American nuclear attack.

We see millions of Chinese soldiers poised on China's frontiers. We see leaders who threaten in a most violent way. We see an internal Chinese turmoil to confirm our fears of irrationality and recklessness. Finally, we see a growing nuclear power, with the looming spectre of a full-fledged Chinese intercontinental ballistic missile force.

On the other hand, the Chinese see themselves surrounded by massive American military power. They see U.S. naval, ground, and air bases scattered through Japan, Korea, Taiwan, Okinawa, Guam, the Philippines, and Thailand. They see over half a million American troops in neighboring Viet Nam and hundreds of thousands more nearby. They see tremendous nuclear capability with missiles

zeroed in on Chinese cities. They see the United States as "occupying" the Chinese island of Taiwan and supporting a Chinese government whose declared aim is the recapture of the mainland. And they see, too, what they decribe as a growing collusion between the United States and the Soviet Union, a country which they believe infringes China's borders, threatens to corrupt the Chinese revolution and exercises an unwelcome influence throughout Asia.

We and the Chinese have not always looked at one another with such baleful mistrust. The American images of China have fluctuated and shifted in an almost cyclical way. There has been the image of the China of wisdom, intelligence, industry, piety, stoicism, and strength. This is the China of Marco Polo, Pearl Buck, Charlie Chan, and heroic resistance to the Japanese during World War II.

On the other hand, there has been the image of the China of cruelty, barbarism, violence, and faceless hordes. This is the China of drum-head trials, summary executions. Fu Manchu, and the Boxer Rebellion—the China that is summed up in the phrase "yellow peril."

Throughout our history, these two images have alternated, with first one predominant and then the other. In the eighteenth century, we looked up to China as an ancient civilization—superior in many aspects of technology, culture, and social order and surrounded by an air of splendid mystery. Respect turned to contempt, however, with China's quick defeat by the British in the Opium War of 1840. There followed acts of humiliation of China such as participation in extra-territorial treaty rights and the Chinese Exclusion Act of 1882.

Attitudes shifted again in the early twentieth century to one of benevolence largely in consequence of the influence of missionaries. There were more missionaries in China from the United States than from any other country. More American missionaries served in China than anywhere else in the world. The Chinese became, for this nation, a guided, guarded, and adored people.

Chinese resistance to the Japanese invasion in 1937 produced another shift from benevolence to admiration. At the end of the Second World War, admiration was displaced by disappointment and frustration, as the wartime truce between Nationalist and Communist forces collapsed in cataclysmic internal strife. This nation became profoundly disenchanted with China, a disenchantment which was replaced abruptly in 1949 by hostility.

The hostility was largely a reaction, of course, to the coming to power of a Communist regime on the Chinese mainland. We did not interpret this event as a consequence of the massive difficulties and the vast inner weaknesses of a war-torn China. Rather, we saw it almost as an affront to this nation. We saw it as a treacherous extension of the Soviet steam-rolier policies which had reduced Eastern and Central Europe to subservience at the end of World War II.

Then, in 1948, came a Communist coup in Czechoslovakia and the Soviet attempt to blockade Berlin. The triumph of a Communist government in China followed immediately after these events in Europe. The nation was shaken to its fingertips.

Still, the press of events continued relentlessly. In June 1950, the North Koreans launched a sudden attack on South Korea. The Chinese forces intervened in the war in November of that year. The United States was brought into a major military confrontation in which, for the first time, the Chinese were enemies and not allies.

After these events, the assumptions of American policy towards China were revised. An effort was made to meet both the concern and outrage respecting China which existed in this nation and the revolutionary militancy of the new Chinese regime in Asia. Policy was cast anew on the premise that the government on the Chinese mainland was an aggressor which, subject to directions from Moscow, would use force to impose international Communism on Asia. Conversely, it was assumed that if the endorsement of the free nations were withheld this regime which was said to be "alien" to the Chinese people—some sort of over-grown puppet of Moscow—would wither and eventually collapse.

On this basis, recognition was not extended to Peking. The official view was that the National Government, which has retreated to the island of Taiwan, continued to speak for all of China. We cut off all trade with the mainland and did what could be done to encourage other countries to follow suit. In a similar fashion, we led a diplomatic campaign year after year against the seating of the Chinese People's Republic in the United Nations. We drew an arc of military alliances on the seaward side of China and undergirded them with the deployment of massive American military power in bases throughout the Western Pacific.

Much has happened to call into question the assumptions in which these policies towards China have been rooted. In the first place, the People's Republic has shown itself to be neither a part of a Communist monolith nor a carbon copy of Soviet Russia. The fact is that, of the numerous divisions which have arisen within the Communist world, the differences between Moscow and Peking have been the most significant. They so remain today although the more rasping edges of the conflict appear somewhat tempered by the war in Viet Nam.

At the same time, the government on the mainland has not only survived, it has provided China with a functioning leadership. Under its direction, Chinese society has achieved a degree of economic and scientific progress, apparently sufficient for survival of an enormous and growing population and sophisticated enough to produce thermo-nuclear explosions.

In the last two years, the so-called Cultural Revolution in China has rekindled what has been a periodic expectation that the Peking government is on the verge of collapse and the way is open for a military return to the mainland of the National Government on Taiwan. There seems to be little doubt that the turmoil in China has caused serious disruptions. What appears in conflict in the cultural revolution, however, is not the Peking structure as such but the adequacy of its ideological content. That would be a far cry from the kind of popular revulsion which might be expected to open the doors to a new regime.

In any event, the worst of the upheavals within China appear to have ended months ago, without any irreparable break in the continuity of the government or the operations of the economy. It is the height of folly to envision, in the present situation, an occasion for the overthrow of the Peking government by external military pressures. Indeed, what would be better calculated to end, overnight, the remaining ferment on the mainland than a plausible threat to the security of China or an actual attack on Chinese territory?

If the People's Republic, then, is here to stay, what of the other assumption on which this nation's policy respecting China has long been based? What of the assumption that the Chinese government is an expanding and aggressive force? That it is restrained from sweeping through Asia because we have elected to meet its challenge along the 17th Parallel which divides the Northern and Southern parts of Viet Nam?

In recent years, the present Chinese government has not shown any great eagerness to use force to spread its ideology elsewhere in Asia although Chinese armies have been employed in assertion of the traditional borders of China. To be sure, China has given enthusiastic encouragement and has promised to support wars of national liberation. However, China has not participated directly in these wars and support, when it has been forthcoming, has been limited and circumspect.

In Viet Nam, for example, there is certainly Chinese encouragement and aid for the North Vietnamese and the Viet Cong. Chinese involvement, however, has been far more peripheral than our own. The enemy soldiers with whom we are compelled to grapple are all Vietnamese and, in fact, mostly South Vietnamese. At every stage of the war, the assistance we have provided to South Viet Nam has far exceeded the aid from China and from all outside sources to the Viet Cong and North Viet Nam—both in terms of men and material. There is Chinese equipment in South Viet Nam but there are no Chinese battalions. Even in North Viet Nam, Chinese manpower is reported to amount, at most, to one-tenth of our forces in Viet Nam, and the great bulk of these Chinese are labor troops, some involved in air-defense but most of them engaged in repairing bomb damage to roads, railroads, bridges, and the like.

Chinese actions in Tibet, and along the Himalayan frontier of India, are often cited as evidence of militant Chinese Communist aggression. The fact is, however, that Tibet has been regarded, for many decades, as falling within China's over-all boundaries. Not only the Peking government but also the Chinese National Government on Taiwan insists that Tibet belongs to China. India also acknowledges such to be the case. Indeed, American policy has never recognized Tibet as other than Chinese territory.

In the case of the border war with India in 1962, the Chinese Communists occupied territories which, again, not only they, but also the Chinese Nationalists, consider to be Chinese. It is not precisely characteristic of a militant expansionism, moreover, for a government to withdraw its military forces from a territory which they have invested. Yet, the Peking government did so from parts of India which were occupied in 1962 as well as from North Korea.

As for indirect aggression through economic means, China has been able to exert only a limited influence, either through aid or trade. In Africa and, indeed, in Southeast Asia, where attempts have been made to use trade and aid for political ends, the results have not been conspicuously successful. The fact is that most of China's trade today rests on a commercial-economic base. It is carried on largely with the non-Communist countries, including, may I add, many of our closest allies.

In short, to speak of China, today, as aggressively expansionist is to respond to Chinese words rather than Chinese actions. That is not to say that China will not pose all manner of threats tomorrow. If there are not enough nightmares already, consider the prospects when China's nuclear capabilities will have been extensively developed, along with a full-fledged intercontinental ballistic missile force.

Of course, there is an immense potential danger in China; but there is also an immense potential danger in every other powerful nation in the world which has not learned how to maintain civilized survival in a nuclear age except on the razor's edge. Insofar as China is concerned, the fundamental question for us is not whether it is a danger, real or potential. The fundamental question is whether our present policies act to alleviate or to exacerbate the danger. Do we forestall the danger by jousting with the shadows and suspicions of the past? Do we help by a continuance in policies which do little if anything to lift the heavy curtain of mutual ignorance and hostility?

Like it or not, the present Chinese government is here to stay. Like it or not, China is a major power in Asia and is on the way to becoming a nuclear power. Is it, therefore, in this nation's interest and in the interest of world peace to put aside, once and for all, what have been the persistent but futile attempts to isolate China? Is it, therefore, in this nation's interest and in the interest of world peace to try conscientiously and consistently to do whatever we can do—and, admittedly, it is not much—to reshape the relationship with the Chinese along more constructive and stable lines? In short, is it propitious for this nation to try to do what, in fact, the policies of most of the other Western democracies have already long since done regarding their Chinese relationships?

I must say that the deepening of the conflict in Viet Nam makes more difficult adjustments in policies respecting China. Indeed, the present course of events in Viet Nam almost insures that there shall be no changes. It is not easy to contemplate an alleviation with any nation which cheers on those who are engaged in inflicting casualties on Americans. Yet, it may well be that this alleviation is an essential aspect of ending the war and, hence, American casualties. That consideration, alone, it seems to me, makes desirable initiatives towards China at this time.

There are several obvious areas in which these initiatives would have relevance. Discriminatory restriction on travel to China, for example, is certainly one of these areas. The Chinese may or may not admit Americans to their country, as they choose. But it is difficult to understand why our own government should in any way, shape, or form seek to stand in the way of the attempts of American citizens to breech the great wall of estrangement between the two nations. It is, indeed, ironic that during the past three years there have been more visits of Americans to North Viet Nam, a nation with which we are at war, than to China in the past thirteen years.

On the question of travel, it should be recalled that the Chinese were the first to suggest in 1956 that American journalists visit China. The suggestion was summarily rejected by the then Secretary of State. When, later, it was decided to accept the suggestion, the Chinese had changed their minds. Since that time, this nation has been more inclined to ease the travel barriers, on the basis of official agreement for exchanges of persons, but the Chinese have shown no disposition to enter into agreements or, for that matter, to admit Americans on any basis.

In any event, it seems to me that it is in the positive interest of this nation to encourage Americans, if they can gain entry, to travel to China. May I add, I refer not merely to the travel of selected journalists, doctors, and other specialists, as is now the policy, but to the travel of any responsible American. In the same fashion, it seems to me most appropriate to admit Chinese travelers to the United States under the same conditions that pertain to visitors from other Communist countries.

Trade is another area in which long-standing policies respecting China are open to serious question. Technically, this country still maintains an embargo on

all trade with China. The basis for this policy is compliance with a voluntary resolution of the United Nations which was adopted at our behest at the time of the Korean conflict. It is doubtful that the resolution ever carried much weight among the trading nations of the world. In any case, it has long since been forgotten. Today, the principal nations in the China trade in rough order of importance are the United Kingdom, Japan, the Soviet Union, West Germany, Australia, Canada, Italy, and France. Of all the great maritime nations, the United States alone clings to a total trade embargo with China. Moreover, we are also the only nation in the world which makes an effort to enforce what can best be described as a kind of secondary boycott of re-exported Chinese products.

These policies have had little visible economic impact, but they have had the most serious political repercussions. It is conceivable that, to the Chinese, the policies are something of an irritant. To friendly nations, however, they have been a source of constant friction. Most serious, their continuance over the years has injected unnecessary venom into the atmosphere of U.S.-Chinese relations.

Nor can it be said that the situation in Viet Nam has compelled the pursuit of the embargo and boycott. The fact is that these restrictions were in place before most Americans ever heard of Viet Nam, and, certainly, long before Americans became involved in the war. If the Vietnamese conflict is now seen as justification for leaving these policies undisturbed, what is to be said of the existing attitude toward trade with other Communist countries?

The fact is that the European Communists are providing North Viet Nam and the Viet Cong with sophisticated military equipment which, from all reports, exceeds in value the assistance which comes from China. On what basis, then, is it meaningful to permit and even to encourage non-strategic trade with the European Communist countries while holding to a closed-door policy on trade with China? What constructive purpose is served by the distinction? Any rationalization of relations with China, it seems to me, will require an adjustment of this dual approach. We need to move in the direction of equal treatment of all Communist nations in trade matters, whatever that treatment may be.

In any event, problems of travel and trade are secondary obstacles in the development of a more stable relationship between China and the United States. There are other far more significant difficulties. I refer, principally, to the question of Taiwan and to the war in Viet Nam.

There is no doubt that the Chinese government seeks in Viet Nam a government which is friendly, if not subservient. Peking has not concealed, moreover, its desire for the withdrawal of American military power from Southeast Asia. It does not follow, however, that the price of peace in Southeast Asia is either Chinese domination or U.S. military intervention. That is a black and white oversimplification of a gray situation. The fact is that neither Burma on China's border nor Cambodia have been "enslaved" by China, despite an association of many years, despite periodic difficulties with the great state to the north and despite an absence of U.S. support, aid, or protection.

These two nations have managed to survive in a state of detachment from the power rivalries of the region. Furthermore, China is a signatory to the settlements which emerged from the Geneva Conferences of 1954 and 1962 and which contain at least a hope for a middle way to peace in Indo-China. So far as I am aware, the Chinese have not been found in direct or unilateral violation of these agreements. It is not impossible that a similar settlement, with Chinese participation, might be reached on Viet Nam.

Indeed, it is to be devoutly hoped that there can be a solution along these lines. Unless it is found, there is a very real danger—as the Korean experience shows—that the prolongation of war on China's frontiers may well bring about another U.S.-Chinese armed confrontation.

Perhaps the most important element in the rebuilding of stable relations with China is to be found in a solution of the problem of Taiwan. It may help to come to grips with this issue, if it is understood at the outset that the island of Taiwan is Chinese. That is the position of the National Government of the Republic of China. That is the position of the People's Republic of China. For a quarter of a century, this common Chinese position has been reinforced by the policies and actions of the United States Government.

Since that is the case, I do not believe that a solution to the Taiwan question is facilitated by its statement in terms of a two-China policy, as has been suggested in some quarters in recent years. The fact is that there is one China which happens to have been divided into two parts by events which occurred

a long time ago. Key factors in the maintenance of peace between the separate segments have been the interposition of U.S. military power in the Taiwan straits, and the strengthening of the National Government of China by massive injections of economic and military aid.

This course was followed by the United States for many reasons, not the least of which was that it made possible a refuge for dedicated allies and associates in the war against Japan. Most of all, however, it was followed because to have permitted the closing of the breech by a military clash of the two opposing Chinese forces would have meant a massive bloodbath and, in the end, the rekindling of another great war in Asia.

However, the situation has changed in the Western Pacific. Taiwan is no longer abjectly dependent for its survival on the United States. Some of the passions of the deep Chinese political division have cooled with the passing of time. Another generation has appeared and new Chinese societies, in effect, have grown up on both sides of the Taiwan straits.

Is there not, then, some better way to confront this problem than threat-and-counter-threat between island Chinese and mainland Chinese? Is there not some better way to live with this situation than by the armed truce which depends, in the last analysis, on the continued presence of the U.S. 7th Fleet in the Taiwan Straits?

The questions cannot be answered until all involved are prepared to take a fresh look at the situation. It seems to me that it might be helpful if there could be, among the Chinese themselves, an examination of the possibilities of improving the climate. As I have already indicated, the proper framework for any such consideration would be an acceptance of the contention of both Chinese groups—that there is only one China and Taiwan is a part of it. In that context, the questions at issue have to do with the dichotomous situation as between mainland and island governments and the possibility of bringing about constructive changes therein by peaceful means.

There is no cause to be sanguine about the prospects of an approach of this kind. One can only hope that time may have helped to ripen the circumstances for settlement. It is apparent, for example, that the concept which held the Chinese government on Taiwan to be the sole hope of China's redemption has grown less relevant with the years. For Taiwan, therefore, to remain isolated from the mainland is to court the risk that the island will be left once again, as it has been on other occasions, in the backwash of Chinese history.

The removal of the wedge of separation, moreover, would also seem to accord with the interests of the mainland Chinese government. It does have a legitimate concern in the reassertion of the historic connection of Taiwan and China. It does have a concern in ending the hostile division which has been costly and disruptive both within China and in China's international relationships.

From the point of view of the United States, too, there is an interest in seeking a less tenuous situation. Progress in settling the Taiwan question could contribute to a general relaxation of tensions in the Western Pacific and, conceivably, even to resolution of the conflict in Viet Nam. Certainly, it would make possible a reduction in the enormous and costly overall defense burdens which were assumed in Asian waters after World War II and which, two decades later, still rest on the shoulders of this nation.

To sum up, then, it seems to me that the basic adjustment which is needed in policies respecting China is to make crystal clear that this government does not anticipate, much less does it seek, the overthrow of the government of the Chinese mainland. In addition, there is a need to end the discrimination which consigns China to an inferior status as among the Communist countries in this nation's policies respecting travel and trade. Finally, it ought to be made unequivocal that we are prepared at all times to meet with Chinese representatives—formally or informally—in order to consider differences between China and the United States over Viet Nam or any other question of common concern.

Adjustments of this kind in the policies of the nation, it seems to me, require above all else a fresh perspective. We need to see the situation in Asia as it is today, not as it appeared twenty years ago in the Himalayan upheaval of the Chinese revolution. We need to see the situation not through the fog of an old and stagnant hostility but in the light of the enduring interests of the United States in the Western Pacific.

In this context we will be better able to find appropriate responses at appropriate times to the specific problems of the Sino-U.S. relationship, whether they

have to do with U.N. representation or diplomatic recognition or the offshore islands or whatever. Without prior adjustment in perspective, however, to seek to deal definitively with these questions would be, to say the least, an exercise in futility.

I should emphasize before concluding that it is unlikely that there will be any eager Chinese responses to initiatives on our part. Nevertheless, I see nothing to be lost for this nation in trying to move along the lines which have been suggested. Chinese intransigence is no license for American intransigence. Our stake in the situation in the Western Pacific is too large for that sort of infantile indulgence.

I see great relevance in thinking deeply of the issues which divide China and the United States to see if they can be recast in new and uncluttered molds. There is every reason, especially for young people, to examine most closely the premises of policy regarding China which were enshrined almost two decades ago. The fact is that the breakdown in Chinese-U.S. relations was one of the great failures of my generation and it is highly doubtful that its full repair shall be seen in my lifetime. The problem, therefore, will fall largely to you. It is not a particularly happy inheritance, but there is reason to hope that it may fare better in your hands.

Unlike my generation, you know more about Asia. You have a greater awareness of its importance to this nation and to the world. In 1942, four months *after* Pearl Harbor, for example, an opinion poll found that sixty percent of a national sample of Americans still could not locate either China or India on an outline map of the world. Certainly that would not be the case today. Furthermore, you have not had the experience of national trauma in moving abruptly from an era marked by an almost fawning benevolence toward China to one of thorough disenchantment. You were spared the fierce hostilities which rent this nation internally, as a sense of warmth, sympathy, and security regarding China gave way to feelings of revulsion, hatred, and insecurity.

Your Chinese counterparts, the young people of today's China—they are called the "Heirs of the Revolution"—have a similar gap to bridge as they look across the Pacific. Your generation in China, too, has been contained and isolated, and its view of the United States has been colored with the hates of another time. It has had no contact with you or, indeed, with much of the world outside China.

On the other hand, those young people have grown up under easier conditions than the older generation of Chinese who lived their youth in years of continuous war and revolution. It may be that they can face you and the rest of the world with greater equanimity and assurance than has been the case at any time in modern Chinese history.

I urge you to think for yourselves about China. I urge you to approach, with a new objectivity, that vast nation, with its great population of industrious and intelligent people. Bear in mind that the peace of Asia and the world will depend on China as much as it does on this nation, the Soviet Union, or any other, not because China is Communist but because China is China—among the largest countries in the world and the most populous.

Mao Tse-tung remarked in an interview several years ago that "future events would be decided by future generations." Insofar as his words involve the relationship of this nation and China, whether they prove to be a prophecy of doom or a forecast of a happier future will depend not so much on us, the "Old China Hands" of yesterday, but on you, the "New American Hands" of tomorrow.

APPENDIX H

THE PERIPHERY OF THE PEOPLE'S REPUBLIC OF CHINA

A REPORT ON TRENDS IN THE WESTERN PACIFIC SINCE THE VISIT OF PRESIDENT NIXON IN FEBRUARY 1972, TO THE MAJORITY LEADER OF THE U.S. SENATE

(By Francis R. Valeo, Secretary of the Senate, November 25, 1974)

LETTER OF TRANSMITTAL

NOVEMBER 25, 1974.

Hon. MIKE MANSFIELD,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MANSFIELD: Pursuant to your request, I visited the Republic of Korea, Japan, and the Republic of the Philippines during the recent recess of the Senate. The situation in these countries was studied principally in the context of the following two considerations:

1. International trends which may have been set in motion by the Nixon visit to Asia in 1972; and
2. The impact of inflation-recession in the United States on the nations of the Western Pacific.

The report which follows is designed as background for your second journey to the People's Republic of China. It should also be pertinent to the consideration of legislative questions which may arise during the 94th Congress and which relate to our relations with the nations of the Western Pacific.

I was out of the United States from November 7, 1974 to November 17, 1974. While the time was brief, excellent cooperation from personnel of the U.S. missions abroad and others greatly facilitated the undertaking. There was, everywhere, a readiness to discuss the two factors previously mentioned because they are recognized as central to developments in the Western Pacific. The report which follows reflects many conversations on these points and on related matters, evaluated in the light of background study and research.

I appreciate your asking me to undertake this study and I am grateful to the Chairman and the ranking Minority Member of the Committee on Foreign Relations for their support. I wish to take this opportunity, too, to thank the Department of State and the U.S. missions in the countries visited for their ready cooperation. In addition, I should note that excellent research papers were prepared by the Congressional Research Service of the Library of Congress for use in connection with this study.

Sincerely,

FRANCIS R. VALEO,
Secretary of the Senate.

THE PERIPHERY OF THE PEOPLE'S REPUBLIC OF CHINA

I. General Observations

In a retrospect of almost three years, the shift in U.S. policy toward China is generally seen in the Western Pacific as an act of constructive statesmanship. This evaluation has come only in time and is not uniform throughout the region. Obviously, Taiwan has not welcomed the rapprochement with Peking although the Chinese on that island have learned, more or less, to live with the change. In the Republic of Korea, too, the shift is not regarded as an unmixed blessing. Beneath a surface acceptance, there remain many anxieties. The Korean government has been among the most militantly anti-communist in the region and also among the most dependent on U.S. support. U.S. rapprochement with China,

combined with a U.S.-Soviet détente suggests the possibility of understandings and agreements which could operate to the detriment of the present government of South Korea. Koreans generally see themselves as constituting a small country, somewhat at the mercy of the great surrounding powers. The shift in the U.S. positions on China underscored the point.

After a long period of isolation, the People's Republic of China has emerged as a respected national state. China, in turn, is accepting its neighbors in the same spirit rather than as heretofore frowning on them as pawns of the United States. The rate of mutual acceptance is not everywhere the same. It is most advanced between Japan and China and not advanced at all in the case of South Korea. Everywhere, however, the change is in process and, seemingly, is irreversible.

This transition is part of a still larger change which embraces the entire Western Pacific. Out of the oversimplification which once described the situation as that of "communist aggression" or "Chinese aggression" held in check only by massive U.S. military power is emerging a more sophisticated mosaic. In this new formulation, the bi-polar war of ideologies has faded into the background. In its stead has emerged a new emphasis on the various national concerns. Emerging, too, is a new perception of the political stability and security of the region. It is seen as increasingly dependent not solely on the United States but on the inter-relationships of the Soviet Union, China, Japan and the United States.

It cannot be said that these changes have resulted from the sudden shift in U.S. policy towards China in early 1972. They were in the making for some time, at least since the promulgation of the Nixon Doctrine in 1969. Clearly, however, the President's visit to Peking gave them impetus and so, too, has the inflation-recession in the United States. The peripheral nations of the Western Pacific are feeling sharp repercussions from the faltering in the U.S. economy, exacerbated as it has been since the onset of manipulated world petroleum prices.

As in the case of Sino-U.S. rapproachement the impact of the inflation-recession is not uniform. Japan is particularly vulnerable to adverse economic developments in the United States. The Japanese economy is greatly dependent on the United States as a market for massive exports of manufactured goods and as a source of essential imports of agricultural products and other raw materials. Korea and Taiwan are scarcely less vulnerable since their lines of trade run heavily either directly to the United States or through Japan. For the present, the Philippines has been able to cope with the situation, in part, because of the huge worldwide demand for some of its principal export commodities, notably raw sugar.

One effect of the U.S. inflation-recession has been to intensify a drive for diversification of trade among the Western Pacific nations. The search for new sources of materials and markets veers towards China but is not limited to that country. Efforts are being made to expand trade contacts in Western Europe and the Middle East. The markets of the Soviet Union and the Eastern Europe have also been probed with some results. Australia and New Zealand are becoming more significant factors in the region's commerce, and new initiatives towards Latin America have been helpful.

Except for Japanese trade, however, the fruits of these efforts are relatively small. For the present, there is no viable alternative to a dependency on imports of U.S. food and raw materials. Nor are there markets elsewhere which can substitute for that of the United States. While it is true that Japan has become something of a trade hub within the region, its continuance in that role depends, in turn, on U.S.-Japanese economic relations.

It is in the above context that the People's Republic of China has emerged as a significant new factor in the commerce of the Western Pacific. Japanese trade with the Chinese mainland has grown rapidly. The Philippines Republic has entered into trading relations with Peking, with exchanges of Philippine products for Chinese petroleum. Only South Korea has remained outside these new trade trends. As for Hong Kong, huge imports from China have long been vital to its very existence.

China's expanding production of petroleum already yields more than enough crude to leave a small surplus for export. While the amounts presently being exported are scarcely sufficient for two or three weeks consumption in Japan, there are indications that China's exports will grow rapidly during the next decade. China's oil reserves in the Northwest and Northeast and off-shore in

the China seas are generally believed to be very extensive. In the long run, however, how much will be available for export is problematical, especially in the light of increasing internal needs. Nevertheless, China requires export-earning commodities and petroleum appears to be very promising in that regard.

The search for petroleum deposits not only by China but in the waters off the other countries of the Western Pacific is spreading rapidly. There is hardly a coastline that is not being explored or drilled. Interest is also growing in alternative sources of energy. The Philippine Republic, for example, is hopeful of developing production from its vast geo-thermal resources to the point where they will supply a large percentage of its energy needs by the eighties. The use of nuclear power is expanding everywhere. Notwithstanding, petroleum will remain a principal concern to all of the peripheral nations for the foreseeable future.

II. The Situation in Korea

On the initiative of President Park Chung Hee of South Korea an effort at reconciliation with North Korea began in 1972. The principal result was the establishment of a north-south coordinating committee to work for modest improvements in the relations between the two parts of the divided peninsula. It is difficult to point to any particular achievements of this group in the three years or so of its existence. Yet, the fact that it continues to function at all is a stabilizing factor in what is still a volatile situation. The same might be said of Seoul's acceptance of the concept of two separate Koreas, at least, as an interim arrangement. This concept is also gaining interantional approval and in recent months, Australia, the Scandanavian countries and various African nations have all recognized two separate governments in Korea.

The new flexibility in the international position of the South Korean government has been accompanied by a growing rigidity in its internal political practices. Inasmuch as these practices have been widely reported in the United States where they have also been severely criticized, there is no need to recount them in detail here. It is sufficient to point out that the political structure which is now operating in South Korea sustains an authoritarian type of rule and makes possible the indefinite continuance in office of the incumbent President. This situation has been brought about by changes in the Constitutional structure and the curbing of individual rights by methods which have been repeatedly challenged by the political opposition.

In justification of its policies, the government contends that a new and unchartered course of contact with North Korea and other communist states requires a higher degree of internal conformity. Political plots, which are seen as a constant threat, are described as triangular in that they combine pressure tactics from the North, machinations on the part of the Chosen Soren (Koreans living in Japan who favor the North), and the activities of revolutionaries inside South Korea. The latter term is broad enough to embrace students, intellectuals and religious elements as well as a militant underground.

This view of the danger to the country is not accepted universally in Seoul. Some observers believe that it is more a rationale for the preservation of authoritarianism than a description of the current reality. In any event, the government's internal policies have led not only to political bitterness inside South Korea but also to strains in what has never been an easy relationship with Japan. There is a mutual suspicion between the two countries which has cultural and, perhaps, racial undertones and long historic roots. Resentments have erupted from time to time, most recently in the wake of kidnappings, assassinations, and other gruesome incidents involving nationals of both countries.

The Park government is disturbed by what is described as the unwillingness of Japan to curb Korean leftists living in the latter country and by what seems to Seoul to be a Japanese fascination with North Korea. For its part, Japan is in the position of having to weigh grievances with regard to South Korea against a very large economic stake in the form of investment and trade in that country. While the situation is quiet at present, relations have been described as "walking on eggs."

The current preoccupation of Koreans generally is not so much with politics as it is with economics. For several years, the growth rate in Korea has been among the highest in the world. Statistics show the country as advancing very

rapidly and the city of Seoul certainly personifies the statistics. It is a thriving metropolis of six million people who, on the whole, seem reasonably well-fed, clothed and housed. Certainy, it is a far cry from the dilapidated devastated capital which remained at the end of the Korean war.

The "little economic miracle" of Korea, as it has been termed, has owed a great deal to U.S. policies. U.S.-proposed and aid-financed measures especially after General Park became President, have been a key factor in shaping the nation's economy into a modest version of that of Japan. Foreign business interests have been stimulated to invest in Korea by U.S.-guaranteed loans and other incentives. The U.S.-government has supplied aid-grants and direct loans and access to a variety of agricultural raw materials and low-cost food under the Public Law 480 program. In addition, a U.S. military presence which still numbers about 38,000 and other forms of military aid which have made possible the maintenance of large Korean forces have served to create a climate of internal order and stability. These various subsidies coupled with low Korean labor costs and an alert and energetic population have fueled a rapid economic advance whose momentum is maintained largely on manufacturing for export.

In line with the shift of U.S. policy towards China, there have been reductions in the U.S. military establishment in Korea. Cuts have also been made in military aid to the Korean forces. In addition, the availability of cheap food and raw materials from the United States is coming to an end at a time when the U.S.-Japanese market for Korean exports, such as textiles and electronics is faltering.

As might be expected, these developments are beginning to send shocks through the South Korean economy. Recourse is being had to such evident remedies as diversification of trade and the intensification of agricultural production but it is generally recognized that such remedies are not going to provide any substantial relief, at least not in the immediate future. As the situation now stands, it is possible that an economic decline could intersect a rising political discontent in the late spring or summer of 1975.

It is not surprising, therefore, that there is resentment at the threat of a cut-off of U.S. military aid at this point. Nor is it surprising that every effort is being made to preserve access to Public Law 480, food and other raw materials. There is also irritation with the criticism of the political reasons which are sometimes advanced in conjunction with the advocacy of a change in our policies. As one Korean put it, "The United States may have to cut off aid but don't blame it on this government. After all, it is the same government which you have been praising for the last 10 years. It hasn't changed; you have."

III. Japan

Japanese ties with the People's Republic of China have developed very rapidly. Not only have full diplomatic relations been established but subsequent thereto, Japan and China have negotiated operational agreements on aviation, trade and shipping. A fourth agreement which has to do with fishing has been held up only because of questions involving new concepts of the law of the sea.

Under the various agreements following the reestablishment of full diplomatic relations, Sino-Japanese trade has boomed. The weekly commercial flights between Shanghai and Tokyo are carrying several times the loads originally projected. A growing tonnage of Japanese shipping enters Chinese ports. Japanese are the most numerous foreign visitors in China, 10,000 for 1974 as against perhaps several hundred U.S. nationals, other than those of Chinese ancestry. Imports of Chinese petroleum which are small now loom large in Japanese expectations for the years ahead. Sino-Japanese trade has surpassed Japan-Taiwan trade and should receive a further boost from a Treaty of Peace and Friendship which is about to be negotiated.

While China is reported prepared to move ahead rapidly in the unfolding of its relationships with Japan, the latter still must deal with some domestic hesitancies growing out of residual ties with Taiwan. The Japanese, for example, have large business interests in the Island. There are also personal relationships and emotional sentiments carried over from half-a-century of Japanese occupation. Still another factor coming between Japan and the People's Republic is the stiffening attitude on the part of the new generation of Chinese leaders on Taiwan. They are less reluctant than their predecessors, apparently, to take reprisals against Japan for moving closer to Peking. In retaliation for the Peking-Tokyo aviation agreement, for example, commercial airlines contact between Japan and Taiwan was suspended.

While the enhancement of relations with the People's Republic remains a main theme in Japanese policy, it is by no means an exclusive one. The critical commercial connection with the United States is not being neglected. Japanese business is also pursuing a vigorous trade and investment policy in Southeast Asia as well as in Europe and elsewhere. In so doing, new techniques are being employed to overcome a certain wariness, resentment and even a hostility which has been directed at Japanese economic penetration in Indonesia and other countries. It is reported, for instance, that the "no lay-off" policy even in slack periods which is common in Japan is being tried by Japanese corporations in their overseas plants.

Japan is also actively seeking better relations with the Soviet Union notwithstanding the fact that the refusal of the latter to relinquish certain Northern islands off Hokkaido still stands in the way of the negotiation of a peace treaty. That long-standing difficulty has not prevented the two countries from entering into a number of trade agreements. While these contracts are not very large in terms of value, they are indicative of a substantial potential for interchange between the complementary economics of Japan and Soviet Asia.

As for Japanese-U.S. relations, the joint defense treaty is still the cornerstone of Japanese foreign policy and pursuant thereto, U.S. military installations remain on the Japanese islands. Strains have developed, however, over the issue of the entry of U.S. vessels carrying nuclear-weapons into Japanese ports. Any issue involving nuclear questions is of high emotional content in Japan. Whatever the technical considerations, the fact is that neither nation can afford a prolonged conflict over this matter. Unless it is resolved, it is likely to have a bearing on the question of the future of U.S. military bases in Japan. It could even raise a cloud, in time, over the defense treaty itself.

While there are no burning specific issues in the economic sphere, the effects of the inflation-recession in the United States are being felt severely in Japan. Price increases for U.S. food and raw materials, for example, when added to the petroleum price rises have put great pressure on Japanese prices. The pressures have come, moreover, at a time when wage demands and expanded social benefits are being sought increasingly by Japanese workers. To date, the situation has been mitigated by Japan's substantial economic reserves and strict government controls as well as by labor's self-restraint and the built-in defenses of the Japanese social system. How much longer this structure can endure while awaiting a more favorable worldwide economic turn is uncertain. There is some feeling that a critical point will coincide with general elections which are likely to take place after the mid-year of 1975.

THE REPUBLIC OF THE PHILIPPINES

Philippine policy, in regard to the People's Republic of China, has moved in a somewhat parallel course with that of the United States. Since 1972 there have been a number of visits to Peking by Philippine officials. Most recently, the wife of the President, Mrs. Imelda Romualdez Marcos was a guest of the People's Republic. All indications are that this mission was extremely well received and one result was an agreement covering an exchange of Chinese petroleum for Philippine agricultural products.

An impediment to further development of the relationship is the existence of important commercial ties between the Philippines and Taiwan. These ties extend into the Chinese community in Manila and throughout the Islands, a community which has long occupied a highly strategic position in the economic structure of the country. There is a problem, therefore, of how much further the transition can go without painful and damaging consequences. Sooner or later, however, the Philippine Republic is likely to confront, as will we, the practical difficulties of continuing to ride two horses with regard to the Chinese relationship.

While the United States still looms large in the life of the Philippines, we are no longer the dominant element. That change is not always easily recognized by those with a long association with the Islands. The fact is, however, that a new generation has come to power in the Philippines. It is intensely Filipino in outlook and determined to be master in its own house. It is modern minded and competent to deal with the problems of independent national survival and development.

It is in this context that Philippine-U.S. relationships have reached a watershed which is marked by the need to achieve a new understanding based on equal-

ity and mutual respect between the two countries. If that is forthcoming, it should be possible to renegotiate mutually acceptable adjustments in the arrangements which heretofore have governed commerce and investment and use of the two great military bases at Subic and Clark. Negotiations regarding both questions await action by the Congress on the Trade bill.

The Philippines are continuing to expand their economic relations with Japan which now stands first in its overseas trade. Commercial relations have also been increasing with Europe and a rediscovery of a commonalty of interest and background with Latin America is also taking place. More active ties are being fostered with the nations of Asia, notably those of Southeast Asia. Manila has become a hub for regional activities, serving as the seat of a number of Asian organizations and the site of innumerable Asian meetings.

The Philippines is embarked on its own ambitious internal economic development program which appears to be progressing satisfactorily. Land reform and agricultural development are key elements in the program and as their impact spreads, food and other farm production is likely to increase rapidly. Mining is also expanding. Foreign capital is flowing into a variety of industries in patterns designed and controlled by the government to contribute to the development program.

The Philippines has not escaped inflation and is far from free of unemployment and underemployment. A determined effort, however, is underway to deal with these and other difficulties and to shape the economy to meet more adequately the needs of the people of the nation. At the time of this writing the Philippines seemed to be the least affected of the nations of the Western Pacific by the downturn in the U.S. economy.

CONCLUSIONS AND RECOMMENDATIONS

The change in U.S. policy with respect to China has acted to reduce tensions in the Western Pacific. Hence, it has opened the way for further reductions in the costly political and military dependency on the United States which has prevailed among the peripheral nations of that region for a quarter of a century. Two principal political problems remain to be resolved before the transition can be completed. The one is the Taiwan-China mainland schism and the other is that of the two Koreas. Neither appears to present an immediate threat to the peace of the region but both contain the seeds of eventual conflict. As time goes by, the two situations will become more and more anachronous, and could become more and more dangerous to peace.

In the economic realm, the Western Pacific has been dealt a double blow by skyrocketing increases in the prices of petroleum, raw materials and food and by the faltering economy of the United States. Inflation, recession, unemployment and underemployment, shortages and imbalances are eating away at the base of the region's economic stability. The prospect, moreover, is of a continuing economic decline. It is not at all improbable that by the summer of 1975, the deterioration will be such as to produce major internal political repercussions.

The changing situation in the Western Pacific presents the United States with an occasion for a reassessment of our role in the political and economic structure of that region. At this point, we find ourselves still immersed deeply in defense arrangements which involve the deployment of tens of thousands of American forces in bases and detachments along the periphery of China. The arrangements by which they remain are not so much parts of an integrated defense strategy as they are vestiges of three past wars and the dying diplomacy of the cold war. It behooves us to form new concepts to fit the current situation and what can reasonably be anticipated for the years ahead. Our new objectives, it seems to me, should be based on maximizing the use of a flexible diplomacy to build situations of stability more in accord with the current situation and more dependent on the inner resources of the region. In that fashion, we should be able to minimize the need for costly U.S. defense establishments and expenditures in the Western Pacific.

In that fashion, too, rather than in a haphazard economy-induced withdrawal of U.S. forces, lies the best hope for an orderly reduction in the U.S. military deployment. If the preparations for changes along these lines are thorough and if the consultations are adequate, contractions in the U.S. military position should be possible without producing shock or panic, or a sense of abandonment in any nation of the Western Pacific. On the contrary, an orderly reduction might even be welcomed in some of them.

The ability to adjust our foreign policies in the Western Pacific effectively will be governed in major part by the manner in which economic relations with the nations of that region are handled over the next two or three years. As already noted, U.S. aid and trade policies which have been pursued for decades, have done much to shape in Japan, South Korea, and the Philippines, economic systems that are highly dependent on special relations with the United States. The objective should be to terminate the dependency promptly. Nevertheless, the systems which were fostered by the dependency cannot be turned about overnight without grave damage to all concerned.

Therefore, the key to this nation's best interests, it seems to me, is to accept fully the necessity for change and to act on it but to avoid abrupt changes in the economic realm, no less than in the military. To that end we should stand ready at all times to consult bilaterally or multilaterally with the peripheral nations on any question of common interest. The need for consultation, however, should not be allowed to become a rationale for inaction.

APPENDIX I
92d Congress, 2d Session - - - - - Senate Document No. 92–89

JOURNEY TO THE NEW CHINA

APRIL–MAY 1972

REPORTS OF

SENATOR MIKE MANSFIELD
Majority Leader
UNITED STATES SENATE

SENATOR HUGH SCOTT
Republican Leader
UNITED STATES SENATE

REPORT NUMBER ONE

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PART 1

Report of Senator Mansfield

Journey to the New China

When President Nixon returned from Peking last February, he transmitted an invitation from Premier Chou En-lai to the joint leadership of the Senate to visit the People's Republic of China. The invitation was accepted by Senator Scott and myself and between April 15 and May 7, we undertook the journey.

On Monday, last, I gave to the President a written report on what I had observed, heard and discussed in China and conclusions which I had reached, as a result, particularly with regard to Indochina. I have requested this time, today, to provide a general account of the journey to the Senate.

I shall speak in some considerable detail because it seems to me that the long deprivation which has been experienced regarding direct information on China warrants a most thorough account. Moreover, since the President has chosen to take new military risks in Indochina, we had better get as clear a picture as we can of the contemporary nature of the immense nation whose southern borders are contiguous with that troubled and tragic region.

If I may, Mr. President, I shall now proceed to report on the journey to the new China, but before I begin I would like to express my gratitude to the distinguished minority leader, the Senator from Pennsylvania (Mr. Scott) and to Mrs. Scott and to the staff, but especially to Mr. and Mrs. Scott because of the assiduousness with which they applied their talents and abilities and to commend most especially the distinguished Republican leader who has a great cultural knowledge of China and an intense personal interest.

1. INTRODUCTION

From arrival in Shanghai on April 18 until departure from Canton on May 3, the leadership was in China a total of 16 days. Five days were spent in Peking; two in the great industrial port of Shanghai on the eastern seacoast; two in the recreational lake-city of Hang Zhou—Hangchow—which is south of Shanghai; two in Xi An—Sian—which is a gateway to Mongolia, a source city of Chinese dynastic culture and, today, a major agricultural and industrial center of the northwest; 2 days in Chang Sha, in the south-central Province of Hu Nan where Mao Tse-tung began his revolutionary activities; and 2 days in Guang Zhou, formerly Canton, the commercial hub of South China and the site of China's International Trade Fair.

We had ample opportunity to move about in these cities and into the surrounding countryside. We talked to many people, to govern-

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ment and party officials, soldiers, medical and health specialists, scientists, teachers, farm managers, factory workers, and students. Our most important discussions were held in Peking, where we met for 8 hours of informal conversations with Premier Chou En-lai, and many more hours with the Vice Minister of Foreign Affairs, Ch'iao Kuan-hua, and other officials.

Host for the visit was the People's Institute of Foreign Affairs, which is a quasi-official arm of the Chinese Foreign Ministry. I was deeply impressed both by the kindness and efficiency of the staff of the institute who accompanied us on the entire journey and by the warmth of the reception we received everywhere in China. The hospitality shown to us by our hosts and the Chinese people was thoughtful and considerate. The friendliness was unmistakable.

I did not go to China with the expectation of becoming an instant expert on its government, its social structure, its economy, or its internal affairs. I went to see what I had seen a long time before—as a private in the Marines in the early twenties and, twice again, during and after World War II, as a representative of President Roosevelt and as a young Member of the House of Representatives. After an absence of a quarter of a century, I went to compare the old China with the new and to explore current attitudes of the People's Republic toward the United States.

It is difficult to look at China, today, free of the distortions of national disparities, especially after two decades of separation. But the distortions can be tempered by perspective. It is possible, for example, to judge a bottle as half full or as half empty. If China is measured by some of our common yardsticks, whether they be highway mileage, the number of cars, television sets, kitchen gadgets, political parties, or newspaper editors—the bottle will be seen as half empty. If China is viewed in the light of its own past, the bottle is half full and rapidly filling.

Today's China is highly organized and self-disciplined. It is a hard-working, early-to-bed, early-to-rise society. The Chinese people are well fed, adequately clothed and, from all outward signs, contented with a government in which Mao Tse-tung is a revered teacher and whose major leaders are, for the most part, old revolutionaries.

There has not been a major flood, pestilence, or famine for many years. The cities are clean, orderly, and safe; the shops well stocked with food, clothing, and other consumer items; policemen are evident only for controlling traffic and very few carry weapons. Soldiers are rarely seen. The housing is of a subsistence type, but is now sufficient to end the spectacle of millions of the homeless and dispossessed who, in the past, walked the tracks and roads or anchored their sampans in the rivers of China and lived out their lives in a space little larger than a rowboat. Crime, begging, drug addiction, alcoholism, delinquency are conspicuous in their absence. Personal integrity is scrupulous. In Canton, for example, a display case for lost and found articles in the lobby of the People's Hotel contained, among other items, a half-empty package of cigarettes and a pencil.

The people appear to be well motivated and cooperative. Women and men work side by side for equal pay. There are no visible distinctions of rank in field, factory, armed services, or government offices. A casual sense of freedom pervades personal relationships with an air

of easy egalitarianism. There is no kowtowing, not even to the highest officials.

A factory worker in Peking earns the equivalent of about U.S. $22 a month, and his wife works, making as much or more. That income is ample for a subsistence-plus existence because children are cared for free at a nursery or in public schools. Rent takes only about 5 percent of total income. Basic food prices are low and fixed. Medical care is free. Entertainment is cheap—admission to a movie is about 10 cents. Prices have been stable for years while wages have risen.

Cooking oils, rice, wheat, and cotton cloth are rationed, but the allotments are ample. The system seems to be designed more to assure basic distribution than to cope with shortages. In fact, large quantities of all rationed items, except wheat, are exported.

Bicycle and bus are the almost universal forms of transportation. The rickshas are gone: so, too, are most of the bicycle-pedicabs. Although China builds automobiles, including a few fine limousines as well as small sedans, they are for official purposes and limited in number. Production has been concentrated on such utilitarian vehicles as tractors, trucks, and buses. Private passenger cars are a rare sight on the streets of some cities. Indeed, there may be fewer now than immediately after World War II, when such vehicles were imported in considerable quantity.

Eighty percent of China's population is rural and is now largely organized into communes. The communes are in the nature of agro-towns and are a fundamental economic unit of the new China. They are also a new concept in social organization which acts to broaden and extend the virtues of interdependence of the old Chinese family system into a community of cooperation and group-action by many families.

One such unit which was visited, the Ma Lu Commune outside Shanghai, embraces over 6,500 families. In several successive years, this commune has reported an exceptional expansion of the production of grains, meat, and other agricultural commodities, much of which is now sold as excess to the commune's needs. Machine cultivation and power equipment is in wide use and electricity is generally available. The commune's small factories process a large part of the agricultural output and also produce gasoline engines, farm tools, spare tractor parts, insecticides, and consumer goods.

Ma Lu is regarded as a prosperous commune. Income last year was estimated at about $336 per household. It has 33 primary and secondary schools, a hospital, a clinic for each of the 14 production brigades, and a health worker for every team.

The accent in China is on today and the future, but throughout the country new interest is also being evidenced in China's rich past. Everywhere there are striking restorations of cultural shrines even as the search continues for more of the ancient heritage. Excavations of historic sites are underway throughout China. Wherever these works are undertaken, the effort is made to distinguish between the "bad"—that is, the cruel and exploiting rulers—of the past and the "good"—that is, the peasants whose creativity and labor were exploited for the well-being and pleasure of the few. Thus, in accordance with the teachings of Mao Tse-tung, a revolutionary content is made a part of archeology as it is of almost all other pursuits in China.

There is, in other words, a determined effort to preserve a revolutionary consciousness in China.

The conservation of natural resources has also received great emphasis under the present leadership. So many trees have been planted in the Peking area, for example, that it has altered the local weather. Tree planting is a symbol of the new China and it is taking a place all over China wherever the land is unsuited to agriculture. Gardening is also widely pursued even on postage-stamp plots inside the cities. Throughout China new productivity is being developed out of wastelands and by massive water control projects.

China, today, builds the new on the base of the old and sometimes, with remarkable results. A most striking example is the revival of the ancient healing practices of acupuncture, whose origins go back over 3,000 years. Thanks to current research and experimentation, acupuncture is coming into wide usage in the treatment of a variety of ailments and as an anathesia in surgery.

The Capitol physician, who accompanied us on the journey, witnessed four major operations in which no sedative or anesthesia was used, only the manipulated needles of the acupuncturist. It is estimated that about half of all the surgery now being performed in China is done with acupuncture anesthesia. Major experimentation is also underway in the use of the technique to cure deafness and other maladies.

The Capitol Physician visited seven different types of medical facilities, and on every one of his visits he was accompanied by either Senator Scott and me separately or together, and on one occasion by our wives, during the course of which visits he was exposed to a representative cross-section of the Chinese medical services on the farms, in the factories, and in large city hospitals. He saw treatment dispensed by "Western" trained physicians, whose efforts are dovetailed with those of traditional Chinese physicians—experienced with herbs and acupuncture—and by basic medical workers, the so-called "barefoot doctors" who number in the hundreds of thousands and whose nearest counterpart in this Nation would be the medical corpsmen of the armed services.

Only a few years ago no modern medical care to speak of was available to the great preponderance of China's inhabitants. Now some kind of care is provided to every Chinese in need. In more remote regions, it may be elemental but it is available. There is no charge to workers in the cities but each family on the communes pays about 4 cents per month for medical services.

It should also be noted that epidemic and intestinal ailments have been drastically reduced in China. A heavy accent is placed on personal cleanliness and order. The people have also been repeatedly and successfully mobilized to cooperate in mass campaigns to eradicate disease-carrying snails, flies, and mosquitoes.

Some of the Chinese health techniques would have exchange value to this Nation. So, too, would Chinese methods of dealing with the disposal of human and animal excrement. Traditionally, these wastes have been regarded in China as an asset with great value as a fertilizer. The problem with their use in the past has been that they have also been a major source of intestinal and other communicable diseases. The Chinese now employ a very simple process for converting wastes into safe and effective fertilizers. It is estimated that 75 percent or more of

all wastes are recycled back into the land, with the result that the fertility of the soil is better maintained while pollution of lakes, rivers, and streams is avoided. It is ironic to contrast the waters of this ancient land, which are supportive of a very large yield of fish, with what has been allowed to happen in this new land of ours.

In every aspect of society, there is evidence of China being rebuilt on the basis of Chairman Mao's dictum, "serve the people." The revolution has swept away much of the ineffectiveness of the past and enshrined a new concept of Chinese self-reliance. While the family remains as the basic unit of the social structure, it is no longer in-turned and indifferent. Members of a family are now, also, active participants in the life of the communes and factories and they share a common pride in the achievements of Mao's revolution. In short, China has become a viable modern society with an approach to social participation and responsibility which is rooted in the past, meets the needs of the present, and offers a soundly based hope for the future.

II. BACKGROUND OF U.S. POLICY

In the Chinese view, U.S. policy is seen as having pursued an unremitting hostility toward the People's Republic for at least two decades. That is how they regard the effort to wall off China by the trade quarantine for 20 years. That, too, is how they see the sending of troops north of the 38th parallel in Korea, the interposition of the 7th Fleet between the mainland and Formosa and the leadership of this Nation in urging the United Nations to label China the aggressor in Korea.

That there is a considerable basis for these Chinese feelings about U.S. policy is undeniable. The policy of this Nation was, indeed, hostile for many years, reflecting as it did the shock of the "loss of China" to the Soviet Union. To be sure, much has changed since then. It has slowly dawned upon us, perhaps, that China was not ours to lose nor the Soviet Union's to gain. Attitudes have changed greatly in the United States. China, too, has changed internally and in its relationships with other nations.

Yet, our policy has only begun to be revised. Still in place is the chain of "defense against Chinese aggression" whose principal links are the SEATO Treaty, the mutual defense treaties with the Republic of China on Taiwan, Japan and the Republic of Korea. Still largely in place, too, are U.S. bases in Asia, U.S. troops to man the bases, hundreds of thousands of Asians equipped with the modern paraphernalia of war paid for by billions of dollars in U.S. military aid expenditures.

For a quarter of a century, the peoples of two great nations have been kept at arms length and, not infrequently, at sword's point by the policies which have led to this military confrontation. I regret to say that in the light of what is now taking place in Indochina, the end is not yet in sight, as I thought it was after the President's visit.

In retrospect, this separation has been one of the most ill-fated chapters in the history of this Nation. We may well ask ourselves to what extent are the policies of the past two decades responsible for the tens of thousands of U.S. casualties in Vietnam? For the tens of thousands more in Korea? For the immense cost to the people of this Nation of these episodes and our other military activity in Asia during the past two decades?

III. THE PATH TO PEKING

The United States and China have taken only the first steps to restore normal relations. In my judgment, the rapprochement actually began with the announcement of the Nixon Doctrine 3 years ago and the first draw-down of U.S. troops in Vietnam. The Chinese have been aware that the U.S. involvement was being reduced in Asia, even though it was accompanied, from time to time, by erratic military thrusts. Still, the troops were leaving, not coming into Asia. This signal of a change in U.S. policy was unmistakable to the Chinese. It meant that the President was reducing the military presence of the United States in Asia.

A number of propitious developments in both nations also helped to lay the basis for rapprochement. In China, the Cultural Revolution came to an end in a stronger, more unified government with a greater ability to handle its problems both at home and abroad. At the same time, the people of this Nation began to show a renewed interest in China. On October 25, 1971, The People's Republic of China was brought into the United Nations by a vote of 76 to 35. The world had begun to beat a path to China's door and Peking was prepared to open it.

President's Nixon's visit to China last February was a long overdue step in normalizing relations between the United States and China. I applauded his action at the time. I am more than ever persuaded, at the conclusion of this journey, that it was the right action.

Where the path which was opened by the President and followed by the distinguished minority leader and myself will now lead is not clear. If the idea of rapprochement does not sink in the mire of the escalating war in Indochina, the path can lead, in my judgment, to an improvement of relationships throughout Asia.

In any event, a process of communication has begun again between ourselves and a nation whose population constitutes, perhaps, one-fourth of the human race—a population, according to U.S. Census estimates, which numbers something on the order of 845 million.

The President's visit served, immediately, to lower the level of tension in Asia and, therefore, has had a salutary effect on world opinion. It has also increased the interest of Japan and other nations of Asia in dealing a normal way with the People's Republic of China. In short, it is clear that the tree of relationships in Asia and the world was shaken for the better by the President's initiative. What cannot yet be predicted is where the leaves will fall and what will be the look of the new foliage.

IV. THE WAR IN SOUTHEAST ASIA

Nor can we say whether the process of rapprochement will be aborted by what has now transpired in Vietnam. Certainly no problem loomed as large as the war in our discussions in Peking. The bombing of Haiphong and Hanoi—or at least their outskirts—the plan for which neither Senator Scott nor I knew when we left, took place while we were en route to China.

While there was no reflection of this development in the personal treatment which was accorded to us by the Chinese, in the discussions, the war, dominated all else. The Chinese made it plain that our actions in Indochina were a matter of "great concern." If Taiwan is the crucial question for the normalization of Sino-U.S. relations, it

is apparent that Vietnam is fundamental to a further relaxation of tensions in the Western Pacific. The Chinese comment on this matter was unequivocal, and I quote it:

Unless this can be settled, there can be no progress on other issues.

How do the Chinese view the war in Vietnam? They see it as an attempt by the United States to dominate the political life of a region in which we have no business. Their memory of the tortured path of American involvement is long and sensitive. Readily recalled, for example, is John Foster Dulles' refusal to shake hands with Premier Chou Enlai at the Geneva Conference of 1954. So, too, is the disregard of the 1954 Geneva Accord by the United States.

The Chinese made clear their belief that the resumption of the bombing of the North would prolong rather than end the war. Strong exception was taken to the administration's contention that the action was justified because North Vietnamese armies had invaded the South. From their point of view, "the invasion of Vietnam began with the—Tonkin Gulf—incident in 1964"; and United States actions in Laos and Cambodia, to them, also constituted invasion and aggression.

In my judgment, it is illusory to expect the Chinese, out of a desire to improve relations with the United States, to intervene with their Indochinese allies either to secure the release of our prisoners of war or to influence a settlement which is not agreeable to the North Vietnamese and the Cambodian resistance which is led by Prince Sihanouk. The Chinese want a rapprochement with the United States but they also want us out of Indochina. Their support of North Vietnam's position is unequivocal. They believe that the United States, one way or another, will ultimately be forced to withdraw and they seemed confident that, once we are gone, the people of the three countries will work out their own political arrangements.

In short, the Peking discussions painted a bleak picture of the prospects of peace on the basis of present policies of all concerned. Unless there are changes in course, therefore, visits to China will not alter the indefinite continuance of the bloodletting of Americans, Vietnamese, Cambodians, and Laotians, the destruction of the culture and environment of the Indochinese countries, the waste of tens of billions of dollars more of our resources, the sapping of the vitality of our Government, the distortion of our political processes, and the further division and frustration of our people.

It seems to me high time to ask why we are using the most advanced machines of destruction in that primitive land. Are we doing so out of force of habit? Out of fear? Fear of what? The fact is that we are still engaged in a war which, to put the best face on it, was sanctioned by what has now become a discredited policy toward China. The President's visit to China had the symbolic effect of marking the end of that policy. If the old China policy is no longer valid, is not the present involvement in the Vietnam war which derived from that policy also invalid? How can conscience, in these circumstances, continue to ask sacrifices of the armed services?

If we feel deeply for the ordeal of the prisoners of war and the missing in action and for their families, we will no longer acquiesce in the distortion of the problem of their release. They are not going to be released by mining Haiphong Harbor, nor by letter-writing campaigns to Hanoi, nor by postage stamps issued in their honor. They are going to be released, if the air war leaves any of them alive to be

released, only when U.S. air and naval operations cease. While we remain in the war, the promise is not for their release but for more missing-in-action, more prisoners of war, and more casualties.

Incidentally, both Senator SCOTT and I brought up the question of the two American fliers who were shot down over Hainan Island in the South China Sea and the question of the release of Mr. John Downey, of Massachusetts.

We were informed that in the case of Mr. Downey, the sentence had been reduced from life to 5 years, and that consideration would be given. In the case of the two American fliers forced down over Hainan Island, we were informed that that was a different matter, and only that they would look into it.

V. EXCHANGES

In the Shanghai communique President Nixon and Premier Chou "agreed that it is desirable to broaden the understanding between the two peoples" through "contacts and exchanges" in such fields as science, technology, culture, sports, and journalism. Our trip was a manifestation of China's desire to carry out this pledge.

Plans are being made to open China's doors to more personal contacts. A date has been agreed to, for example, for the visit to China by the leaders of the House of Representatives. When asked about the possibility of other Members of Congress coming later in the year, the response was that "they will be able to come." What the Chinese have in mind, it seems, is approval of visits by small groups on a case-by-case basis.

As to exchanges in other fields, the Chinese indicated keen interest in carrying out the spirit of the communique. As it was put in the discussions: "Scientists are beginning to come, some doctors have come, and more are on the way." Visits by journalists are still being handled on an individual basis and, apparently, will remain that way for the foreseeable future. The Chinese Government, apparently, is not prepared for permanent U.S. news bureaus in China at this time, although the question is still under consideration. We were assured, however, that to be admitted on an individual basis, journalists did not have to "sympathize" with China. "If they have doubts about us, they can come also." All that is necessary is that "they seek the truth. Then we will welcome them."

Exchanges in the other direction—that is, Chinese visiting the United States—seem to be of less interest to Peking. There are, nevertheless, some possibilities in the fields of science, culture, athletics, and entertainment in which this Nation might profit greatly from an exposure to Chinese achievements, skills, and talents.

VI. TRADE

We should not expect spectacular results in trade from the reapproachement, although, obviously, it can grow rapidly relative to the present low levels. The Chinese have looked largely to their own resources for economic building blocks so their urgent import needs are limited. Their industrial competence is substantial and growing rapidly. Such products as locomotives, tractors, cars, sewing machines, clothes, electronic equipment, medicines, machine tools, gasoline, and

so on across the spectrum, to nuclear devices and space rockets are now made in China. While supplements to their production in some of these items, new designs and processes are likely to be welcomed from abroad, the development of their own diversified productivity is and will remain the fundamental Chinese consideration.

China pursues conservative fiscal policies in international dealings as well as at home. A rough balance is maintained worldwide between imports and exports. The Chinese have no external debts—or internal, for that matter—and their foreign transactions, in effect, are largely cash on the barrelhead.

In 1971, it is estimated that China's exports were $2.3 billion and imports $2.2 billion, a total turnover of less than one-half of 1 percent of gross national product.

Main imports are wheat, chemicals, machinery, manufactured fertilizer, certain types of iron and steel, other base metals, and transportation equipment, notably ships and aircraft. At present, the major industrial purchases are from Japan and western Europe. Wheat has been purchased from Canada, and, until recently, from Australia. China's exports go principally to Hong Kong, Japan, Singapore, Britain, and West Germany, with the main items being rice, soybeans, vegetable oils, silk, fabrics, clothing, and a wide range of light industrial products. There is only a limited trade with the Soviet Union and eastern Europe.

This year, China has given visas to 30 or so U.S. businessmen to come to the Canton Trade Fair. It is likely, too, that congressional leaders who specialize in international trade matters would be welcomed at that showing.

The growth of the twice-a-year Canton Trade Fair since its beginning in 1958 illustrates China's capacity to enter into the world markets. Goods for sale at the first fair were limited and exhibited to only 1,200 people. More than 30,000 different Chinese products for sale abroad are displayed or represented at the current Fair. In the first 10 days, moreover, attendance was 10,000.

The United States is estimated to have purchased only about $4 million of Chinese goods last year, mostly consumer goods. As rapprochement proceeds, a substantial increase in imports of Chinese products is to be anticipated. It is not yet clear, however, what we have that the Chinese want particularly that they cannot get cheaper elsewhere, or what they have that Americans will need in quantity over an extended period. Nevertheless, every encouragement should be given to the fullest possible development of commerce, if for no other reason than that trade relations at whatever level can be an important factor in removing the wall of a quarter-of-a-century of separation.

VII. CONCLUDING OBSERVATIONS

With a bitter history of subjection to the arrogance of "great powers," the Chinese emphasize that their own future is identified with that of the ordinary nations. They reject the status of "superpower" and insist that their system does not permit them to impose their views on others by force. On the basis of our visit, there is no reason to conclude that the Chinese leaders mean otherwise. While the People's Liberation Army seems to be held in heroic regard, it is well blended

into civilian pursuits and is not in evidence as a force for militancy. There are no appeals for military crusades abroad. To the Chinese, defense does not appear to mean maintaining outposts in Southeast Asia or anywhere else beyond their own borders. On the contrary, it means that their own cities are now catacombed with air-raid shelters.

China's energies are clearly concentrated on development of its inner resources and their usages are predominantly civilian. Premier Chou En-lai insisted that:

> China wants to build on our own with our own resources. The country is big enough and we have enough left to do to keep us busy . . . Our System does not permit us to commit aggression.

President Nixon, by his visit, moved to gear U.S. policies to that kind of China after two decades of bending them to fit a preconceived notion of China as an aggressor nation. In my judgment, the President has set in motion a process which is not reversible except by what may now transpire in Indochina.

Dangers as well as opportunities involving all of Asia can flow from the President's initiative with regard to China. I am persuaded that the opportunities far outweigh the dangers. The United States, China, Japan, and the Soviet Union share a common interest in the peace and stability of the western Pacific. At some point in the future, these common interests may form the basis of new arrangements concerning the security in the region which will supersede the fear-based concepts which have persisted since World War II. The normalizing of relations between China and the United States is a start. Hopefully, it will precipitate a similar normalization between the Soviet Union and Japan.

Regrettably, the eruptions in Indochina have lengthened the shadows over the prospects for peace in Asia. In my judgment, the new sorties into North Vietnam have tarnished the significance of the President's visit to China and, of course, the visit of the Senate's joint leadership. They have thrown into at least temporary eclipse the possibilities of Chinese-United States rapprochement. When these shadows lift and only then can there be an expectation of change, a change for the better in Asia.

There is a Chinese proverb:

> To see one time is better than to hear a hundred times.

For the past 23 years, the American people have not seen much of China. What was heard a "hundred times" often contained gross distortions and added up to a horror story, concocted in the minds of the fearful in this nation which, on the basis of the visit of the joint leadership, and the findings of some other recent observers, bears no relationship to China as it is today.

The 16 days which were spent in China, traveling throughout the country and talking to people in all walks of life, have impressed me most profoundly. Not only did we go to the places on the schedule but we also went to areas which were forbidden to foreigners and were opened for the first time.

The dynamism, energy, and devotion of the Chinese people in confronting what they have set out to do with their society must be seen to be believed. Their system is working for them, and it is working well.

We are a young national culture relative to China, hundreds of years compared with thousands of years. There is much to be learned on both sides. The mutual educative process has begun anew. This time it must be maintained on the basis of equality of treatment and mutual respect. The days of a one-sided relationship—of teacher-pupil, master-servant, benefactor and dependent, and so on, back into the 19th Century's "enlightened and heathen," are gone and it is hard to see who in China or in this Nation will mourn their passing.

Chou En-lai noted that it had taken "100 years since the Opium Wars for the Chinese people to stand up." Today, they are standing up. Self-reliance is their watchword and on that basis they are building a new China.

Premier Chou En-lai closed our talks with these words:

Please convey to the American people the friendship and best respects of the Chinese people.

The joint leadership of the Senate responded in a similar fashion. In my judgment, only what transpires in Indochina blocks the way to a full fruition of these reciprocal sentiments. When they are fulfilled in reciprocal acts of respect and consideration, they will redound to the benefit of the people of the United States, the People's Republic of China, and the people of the rest of the world.

PART II

Report of Senator Scott

First I want to thank the distinguished majority leader for his very kind and warm remarks; second, to say that in the course of our 16 days of travel of 8,000 kilometers, or 5,000 miles, all of it was made the more pleasant and enjoyable, without any slightest area of friction or disagreement with the majority leader or with other members of our group who were traveling together; that the distinguished majority leader's temperament is such that simply to be in his company is a pleasure in itself; to travel with him and to observe the great depth of his knowledge and breadth of his interest in the whole Asian scene is in itself a reward and was for me a great opportunity.

I feel that I learned more because I was traveling with the distinguished majority leader, and I believe that both of us learned more because we were able to place the visit on a bipartisan basis, and thereby removed from it any aspect of political advantage. We were able to reassure our hosts, by reason of the bipartisan nature of the visit, that both parties in America are intensely interested in improving communications and in widening relationships with the most populous nation on the face of the earth.

With the tablet blank and precious few available to contradict us, there is present the terrible temptation to paint the People's Republic of China in broad strokes and to hypothesize great conclusions in a manner calculated to evoke admiration for our brilliance. Happily, that temptation is tempered by the knowledge that others shortly will follow us to China. Likewise, the breadth and depth of China is such that we will be forgiven for not having absorbed it completely in 16 days.

Let us then limit ourselves to more specific statements based on personal conversations, observations, and inferences drawn from empirical evidence, in short, those things reasonable to believe based on experience and upon which we feel secure in making judgments and recommending action.

In 16 days we traveled over 5,000 miles visiting six cities: Peking, Shanghai, Hangchow, Sian, Changsha, and Canton. On various inspection trips and tours in those cities we traveled over 500 miles by auto. We traveled by motor launch through the harbor of Shanghai on the Whang-po River to the Yangtze River. Thus we obtained at least a short look at a solid cross section of China—rural and urban.

One cannot adequately describe the cultural shock of being immersed in a country which for 22 years has been beyond our ken. Most of us in the Senate have rarely in our recent years been in a position where we did not share some control of the situation. Here we could only observe and draw some highly tentative conclusions. The usual diplomatic preparations, consultations, and niceties await the further nor-

malization of relations. There is no familiar road for the traveler to China.

Characteristic of the entire visit and of every person in it was the immediate warmth, grace, and courtesy of our reception in Shanghai on April 18. We can in no way overstate the perfection of all our Chinese hosts in their hospitality. Clearly they spared no effort to insure our comfort, safety, and enjoyment. Each individual in touch with our party was an excellent ambassador for his country. Their entire performance bore great testimony to their sincerity and professional ability. Time and again we expressed among ourselves the hope that Chinese visitors to the United States would receive as fine a reception as we did in their country. Upon our return we learned that Chinese athletes had, indeed, been received very well.

China can be understood and evaluated only if one approaches it in the light of the forces which motivate Chinese action and the historical perspective against which the action is played. These forces are not mere abstractions to be thought of fondly on patriotic holidays—they are the basis of daily action and the living, breathing stuff by which the New China is being fashioned.

Liberation—1949—is the "great divide." After it comes the New China of Chairman Mao and the Chinese Communist Party achieved after decades of struggle. Before 1949 lie 50 years of chaos, deprivation, and invasion which were the culmination of centuries of domestic exploitation and foreign oppression.

All production and action is measured by its relation to "before liberation."

Two all-encompassing achievements of the CCP establish its credibility and appeal to the Chinese completely aside from ideology. One is the establishment of nationhood which makes China, for the first time since the 18th century, able to conduct its own activities on its own territory free of outside interference and domestic disorder. China has emerged as a unified state under the exclusive control of its central government.

The second great accomplishment since liberation is the attainment by the masses of a standard of living acceptable to them. This means that the masses have food, clothing, shelter, and health care sufficient to maintain their viability as workers in a producing society without reference to survival as a daily concern. It is the difference between existence and life—even though their contemporary standard of living is still low, by their own candid admission. These bases are the earth and the atmosphere on which China stands and of which it breathes. Teaching, guiding, vivifying, and heading is Chairman Mao. Larger than life and somehow closer to the red sunrise in the east than other men is the one who brought the New China into existence and who defines its present and future.

Has China rid itself of gods and erected the figure of a man to godhead?

We queried our hosts closely on the aspects of Maoism as a cult of personality or deification to replace the old, gone gods. "Mao receives the admiration and affection of the people because of what he has done for them—there is no cult of the personality." Still, the trappings of the one Supreme Teacher are there. Purity of thought has developed imperfections under less favorable circumstances in other places. What

do the Chinese people believe in? "Materialism—Marxism as defined by Chairman Mao."

Two thoughts of Mao most valuable for Americans to appreciate are these:

> We must see to it that all our cadres and all our people constantly bear in mind that ours is a big socialist country but an economically backward and poor one, and that this is a very great contradiction. To make China rich and strong needs several decades of intense effort, which will include, among other things, the effort to practice strict economy and combat waste, i.e., the policy of building up our country through diligence and frugality.[1]
>
> On what basis should our policy rest? It should rest on our own strength, and that means regeneration through one's own efforts. We are not alone; all the countries and people in the world opposed to imperialism are our friends. Nevertheless, we stress regeneration through our own efforts. Relying on the forces we ourselves organize, we can defeat all Chinese and foreign reactionaries.[2] We stand for self-reliance. We hope for foreign aid but cannot be dependent on it; we depend on our own efforts, on the creative power of the whole army and the entire people.[3]

The Chinese "man in the street" reacted to our presence with great curiosity, particularly in Sian and Changsha where we are relatively rare as a genus. But at every place we gathered crowds of friendly, curious onlookers. Children often clapped and waved, which we returned in the Chinese manner. While some groups appeared conditioned to clap at the appearance of black, red-flag autos carrying foreigners, reactions to us were we believed for the most part spontaneous. Amusingly, our appearance on a small side street in Peking caused a youngster leading a squad of schoolchildren to break out and lead them in singing a well-known school song. "Albania." We believe that while we were obviously identifiable as foreigners, the mass of people outside the specific places we visited in the various cities were not provided any particular knowledge of us or of our presence, except in Peking. Our hosts insisted, however, that some of the people in other cities were aware, from their newspapers, that we were U.S. visitors.

I might add that we were seen on television in Peking, and I believe were recognized on the streets by reason of that.

Foreigners are not common sights and the Chinese curiosity is understandable. No political campaigner minds that in the least. Interestingly, I will add here, the reporters who preceded us to China reported on the lack of curiosity of the Chinese. I wonder whether there was a lack of research on the part of the press; because I have known Chinese people before, in and out of China, and I have never known them to be anything but highly curious about everybody and everything. And the moment any of us stopped on the streets, to look in a window or even to cross the street, before you knew it, you gathered silent crowds of two score or more, simply to look at the round eyes and to stare at the westerners.

We were told that the Chinese were undemonstrative, and yet we won applause in parks and almost everywhere except the crowded central streets. In the country, in the communes, in museums, and everywhere there was evidence of a desire to exchange gestures of good will with the westerners.

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[1] On the Correct Handling of Contradictions, Among the People (Feb. 27, 1957), list pocket ed., p. 71.

[2] "The Situation and Our Policy after the Victory in the War of Resistance against Japan." (August 13, 1945), *Selected Works*, Vol. IV, p. 20.

[3] "We Must Learn to do Economic Work." (January 10, 1945) *Selected Works*, Vol. III, p. 421.

How do the Chinese describe the state of their economy? Their state of production? They call it "backward." They describe their country as "developing" or "emerging." Most definitely the Chinese are not backward in energy. There is no apathy, no toleration of any tendency toward deterioration. In the factories, on the communes, and in the streets, one senses vigor, vitality, and dedication—a desperate struggle to move ahead. But there is no question that this is a developing nation. When in response to Chinese questions, we mentioned food surpluses in the United States we strained their credulity. At this time China has reached a plateau in agricultural production. It occupies about 80 percent of the population. It produces enough to feed the Chinese. However, Chinese agriculture today is the perfection of an ancient system—not the establishment of modern agriculture as we know it. Night soil, after being disinfected, remains the basic fertilizer. Horses, oxen, and water buffalo pull the plows. Human hands do the cultivation. Still, there are many small multipurpose tractors and I suspect these will become more prevalent. The Chinese people recognize the need to move their population from agricultural to greater industrial production. They are hampered by a lack of research, farmer education, and the sheer logistics of making an impact on about 640 million farmers. Nonetheless, they are moving with purpose.

Outside Shanghai we visited the Malu People's Commune of Chiating County. The Chinese describe it as below:

MALU PEOPLE'S COMMUNE OF CHIATING COUNTY

The Malu People's Commune was set up in September 1958 by merging a number of advanced agricultural producers' cooperatives. The commune consists of 145 production teams under 14 production brigades with a population of 27,532 in 6,632 households. The land under cultivation amounts of 33,923 *mu* (2,261 hectares) with grain and cotton as the principal products. It has also developed livestock-breeding, fishery and side-occupations. Furthermore, it has set up some small factories in the interest of farm production and the commune members' welfare.

Over the past 10 years and more, the commune members, implementing resolutely the principle of "taking grain as the key link and ensuring an all-round development," have carried out water conservancy projects, levelled fields, transformed nature and gradually promoted mechanization, thus bringing about a continuous growth in farm production. With the completion of a tractor station and 25 electric pumping stations, the commune has brought all its farmland under electric irrigation and expanded the machine-ploughed area to 95 per cent of the cultivated land. Bumper harvests have been reaped in grain production for ten years running. The average grain output per mu for 1971 reached 1,560 jin (11,700 kg. per hectare), registering an increase of 1.5 times over 1957 (the year of Shanghai's liberation). Compared with 1970, the output of cotton slightly decreased in 1971 due to a grave natural disaster; it was, however, still 4.2 times the figure of 1949. There has also been considerable development in livestock breeding, fishery and side-occupations. In 1971 the number of pigs raised by the commune reached 38,000, an increase of 5 times over 1957, or 8.5 times over 1949; domestic fowls sold to the market numbered 70,000, an increase of 5 times over 1957.

The commune runs six factories for repairing and producing farm tools, making multiple-use of farm and side line products, processing grain and fodder and producing bamboo-ware, towels and chemicals. At present time, these factories are able to provide the commune with all the small farm-tools it needs, part of the insecticides and some of the small diesel engines for farming machinery and vehicles. In addition, they process spare parts for some of the tractor and chemical fertilizer equipment plants in the city and produce non-staple foodstuffs for the urban market. The output value of these commune factories for 1971 accounts for about 50 per cent of the commune's total output value.

Along with the steady developing of farm production, the material and cultural life of the commune members has further improved. There are 33 primary

and secondary schools in the commune and all the school-age children are enrolled. There is a hospital in the commune, a clinic for every production brigade and a health worker for every production team. Common diseases can be treated in the commune. The income of the commune members has been increasing year by year. In 1971 the average income per household was over 840 yuan, 170 per cent above the 1957 figure or about six times as much as that before liberation.

At this commune we visited one production team—the smallest unit of accountability. In addition to rice and other grains the team raises chickens, ducks, hogs, sheep and fish. It has its own small repair and implement manufacturing facilities. In short, it is a model self-contained rural community of above average capability. Specialization of production in larger units is not yet practiced. Its residents pay 86 cents U.S. a year for medical services. Each household has a small reserved plot on which to grow vegetables for home use. Average household income was $361 U.S. per annum last year. A four-room house—no plumbing, coal fire in kitchen—costs the member about $250 U.S., and, I might add, costs the member who is fortunate enough about $800 U.S. to build, with the help of his associates, and he is able to borrow money from the local cooperative to assist him in making payments on the house. Whether or not he is able to dispose of the house later we were not able to establish. We were told that he could, but we were never told how he could.

We visited also one of the 14 production brigades of the West Lake Commune outside Hangchow. Ten of these brigades specialize in tea production and this is a relatively prosperous commune with households receiving about $430 U.S. last year.

At West Lake, as in the handicraft and art factories, we discovered that variation is allowed within the framework of the planned collective economy and revolutionary spirit. There is no one way to do everything. While industrial wages are standard on an eight level nationwide scale we found evidence of a piecework approach in other areas. Monetary incentives were abolished during the Cultural Revolution. However, individual workers may receive vacation time at a spa to honor them for exemplary achievement. At West Lake the tea workers who dried and rolled fresh tea in large heated bowls accumulate "work points" based on the "quantity and quality" of the output of a work team. Four man team results and standings are posted daily on a large blackboard.

We visited several handicraft factories. In these the wages varied according to technical competence and output—ranging from $13 U.S. to over $40 U.S. per month, with most around the industrial average of $24 U.S. per month. China maintains a high quality output of traditional labor intensive handicrafts made with modern tools and assembly line production so far as possible. Preservation of traditional skills and arts is encouraged. This homage to the workers of China through the ages supports the party line.

May I add as one interested in the cultural aspect of Chinese civilization that the work is technically good, it is skillfully done and well made, but it is conventional, it is contemporary; it carefully honors traditional work. It is not daring, it is not innovative, it is not impressionistic, it is not abstract, and one suspects it had better not be.

Members of our party visited the Peking General Petroleum Chemical Works which was the only modern industrial works we were shown. Below is the Chinese description:

THE PEKING GENERAL PETROLEUM CHEMICAL WORKS

The Peking General Petroleum Chemical Works is an integrated complex for the multi-purpose use of crude oil. The whole project comprises a total of 35 units: 13 oil-refining and 22 chemical units.

The construction of the Works started in October 1968. To date, the oil-refining units are in the main completed and in operation, the crude oil processing capability being 2.5 million tons a year; three of the chemical units (synthetic rubber, phenol-acetone resin and polyethylene-propylene) are completed and in operation, while the rest is still under construction.

When completed, the Works can turn out nearly 100 petroleum products, including various kinds of fuels, such as gasoline, aviation kerosene and diesel oil, various kinds of lubricants, benzenoids as well as synthetic rubber, synthetic fiber and synthetic plastics.

After biochemical and other treatment, waste water from the oil refinery can be used for irrigation and raise fish and ducks. Crops are growing well, and fish and ducks are normal.

In accordance with the Party's General Line of "going all out, aiming high and achieving greater, faster, better and more economical results in building socialism," the broad masses of workers and staff members have, in the course of building the Works, adopted the method of researching, designing, constructing and putting into production concurrently, and by so doing have gained time and accelerated progress.

Located in the tortuous terrain of the granite foothills 30 miles southwest of Peking the works are a prime example of Chinese practice in the dispersion of industry and regional self sufficiency.

This general line is pursued throughout the country as a basic planning element. The use of all resources and all production priorities come from careful 5-year plans detailed in 1-year plans. The planning process proceeds from the State to the province to the county and to the commune or town. At each level there may be discussion with the planning council of the superior body by that of the inferior body. Goals are very specific and detailed. There is much evidence that the Chinese have been successful in achieving these goals especially in extending irrigation and health care. And here I interpolate that in the Southern Province of Kwangtung—Canton—many of the communes are able to harvest three crops a year; and most of them, we were told, harvest two crops a year of rice and of other foodstuffs.

EDUCATION

Chinese higher education suffered immense disruption from the cultural revolution. Only now is it returning to stability. Only recently have full classes been accepted at the universities we visited. Acceptance is more a function of recommendation by one's local revolutionary committee, cadres, or army than of prior preparation. Likely prospects and leaders are sifted out of the masses for higher training. Students are dedicated and enthusiastic. Facilities are adequate. Curriculums are basic and specialized with an eye toward utilization of the student in production as soon as possible. The standards of university education cannot, at this time, approach the standards of western universities. It appears to me that they have not yet recovered from the culture shock of the 1966 events and those following, nor has research been returned fully to its proper place in Chinese academic life. Every effort is made to prevent the creation of an educated elite distinguishable from the masses. This levels, rather than elevates, the entire process.

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The Chinese claim that primary schooling is universal but state that the large number of school-age children on city streets during school hours is caused by schooling in shifts. Probably no more than 40 percent of the eligible population attend secondary schools. However, at the present time more complete education, we are told, would not fit the development stage and would overeducate the people for the station in life available to them. Lack of sufficient facilities is probably the real reason.

HEALTH CARE

Medical facilities from the farm and factory level to the large city hospital and medical schools were visited, particularly by Dr. Pearson, the Capitol Physician, whose company and whose inquiries and conclusions were of the utmost value to all of us. China's medicine today is oriented toward delivery of medical care to the great mass of farmworkers who comprise over 80 percent of her population. Until a few years ago, virtually no medical care was available to this huge segment.

Medical schools are accepting students with only a few years of formal schooling. They have reduced the number of courses in the time in school by half—now 3 years. And they have increased the numbers of students many fold, in order to turn out more doctors for the masses. Chung Shan Medical School, which reopened last year, has 600 students in each class compared with about 100 when it closed in 1966. They are training "barefoot doctors," who would compare to our medical corpsmen. These medical workers have played a very important role in public health measures, and in mobilizing the workers to eradicate snails—which cause the dread disease schistosomiasis—and reduce flies and mosquitos. Treatment of feces—which still constitutes over 70 percent of China's fertilizer—has been a major contribution of the medical workers—a major advance which could well be used in many other countries.

It is interesting, too, to notice the dedication of children to the eradication of flies and insects, to such extent that, although we were traveling at times in temperatures of 90 and 92 degrees, neither my wife nor I were ever to observe—and this was a joint observation—more than a single fly engaged in lonely exploration in Canton.

There is excellent integration of the various medical programs with the industrial and farming programs.

Acupuncture treatment, practiced in China for several thousand years, was observed several times, by our physician and by other members of the group. It is used for intestinal illness, headache, toothache, rheumatism, pneumonia. Whether it has intrinsic value in addition to its psychological benefits need further assessment.

Acupuncture anesthesia has also been observed and is undoubtedly effective in many cases. Many of us saw a very interesting documentary movie illustrating an operation under these conditions. It is used in about 50 percent of the surgery performed at the institutions we visited. Some of our group observed cesarean section, eye surgery, stomach removal, and thyroid gland surgery performed with no other drugs or anesthetic agent. This would seem to have obvious advantages and is being looked at with great interest by U.S. and other Western medical men. The mode of its action is not completely understood, even by the Chinese physicians, and research is now going on at a great

rate in this area; but it is thought that some blocking of painful impulses occurs at the spinal or at the brain level.

The progress of medicine in China from its former level was impressive. The dedication and enthusiasm of medical interns at all levels, especially their efforts at continual improvement, was surprising and refreshing.

CULTURE

Built into the system at every level is the structure of revolution and its continuation. CCP cadres at all levels of organization guide the masses in self-education through criticism and self-criticism, and in education through mass persuasion. The good worker finds a good character of praise posted on the village gate. The bad worker finds a bad character poster. Party members must be exemplary or face expulsion. Newspapers and radio praise good workers and condemn lackeys. Merit is popular. Songs, plays, ballets, children's games, poetry, literature, and every conceivable medium carry the Party line. Dissent finds a presence only in the happy stories of repentant dissenters who recant and are reconciled to the Party line through self-education and education and whose reconciliation is usually featured in song and story, with much gestures and appropriate music. There can be no legitimate expression of self or anything else outside the furtherance of the revolution. As Mao says:

> In the world today all culture, all literature and art belong to definite classes and are geared to definite political lines. There is in fact no such thing as art for art's sake, art that stands above classes, art that is detached from or independent of politics. Proletarian literature and art are part of the whole proletarian revolutionary cause: they are, as Lenin said, cogs and wheels in the whole revolutionary machine.[4]

The Chinese have assiduously rehabilitated, preserved, repainted, and maintained palaces, parks, and other evidences of China's past history. From these the masses learn of their proud history as workers of great skill and accomplishment. They learn, also, of their exploitation by the emperor and the ruling classes. There is no difference today in the amount of work they do—the difference is that they enjoy its benefits much more fully and directly.

Rather than elaborate on the splendor of the various historical sites visited, I have listed them and included their description by the Chinese in an appendix.

DISCUSSIONS

During our 16 days in the People's Republic of China we had the opportunity to engage in frank and meaningful discussions with leading Chinese Government officials. We spent almost 5 hours in discussion with Vice Minister of Foreign Affairs Ch'iao Kuan-Hua and another 5 hours with Premier Chou En-lai, plus 3 hours at a dinner given for us by the Premier.

These discussions covered many subjects and, as might be expected many hours were spent on the subject of Indochina. Senator Mansfield and I agreed to the request of the Premier that, because countries other than the United States and the People's Republic of China were involved in the areas discussed, we would not publicize the more sensitive aspects of our informal discussions.

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[4] "Talk at the Yenan Forum on Literature and Art" (May 1942), *Selected Works*, Vol. III, p. 86.

Therefore, I cannot say too much about the discussions except to say they were frank, candid, and sometimes blunt discussions, with disagreements freely aired and areas of agreement searched for.

One of the subjects discussed in which China and the United States people are interested is exchanges and visits.

The Premier indicated that he felt that exchanges in various fields should be encouraged and told us of the some 30 American businessmen who were going to attend the Canton Trade Fair, some of whom I did see in attendance at the fair later. The Premier also told us that the House leaders, Representatives Boggs and Ford, were coming to China in June—I think he said June 26. We learned the date first from the Chinese Premier, and we found him extraordinarily well informed on American affairs. He said the Chinese would also give consideration to the visits of other Members of Congress. In that connection, as the distinguished majority leader has noted, members of certain committees were mentioned, some by name. The desire to visit China was indicated as to Members of the Senate and the House generally, who would like to come perhaps in groups of two, three, or four, perhaps later on next year, or alone, or perhaps in even larger groups, as the facilities of the Chinese expand.

The difficulty in handling visitors is a lack of adequate hotel facilities for large groups, the need for additional trained interpreters, and for additional members of the Chinese Institute for Foreign Affairs. Their willingness to receive visitors, in my opinion, is evident, but their capability for handling visitors appears to be limited by their facilities.

The Premier was especially pleased by the reception the President and the American people accorded the Chinese Ping-pong team on its recent visit to the United States. We learned about the reception of the Ping-pong team in the rose garden by the President, again from Premier Chou En-lai, as our news sources were not exactly adequate while in Peking—other news sources.

One got the impression that the Chinese were very desirous of increasing exchanges between the two countries but did not at this time have the facilities to handle a great influx of visitors. They are working toward increasing their visitor facilities and their travel service so that they can provide for more and more foreign visitors.

In this regard, the distinguished majority leader and I also mentioned cultural exchanges, journalistic exchanges, and athletic exchanges. Our Chinese hosts indicated perfect affability toward the idea. They were entirely openminded. They mentioned, for example, the Shanghai Ballet which was performing a ballet entitled "The White-Haired Girl" that night, which we saw, and indicated the possibility of similar ballets visiting the United States.

I would not have been true to Pennsylvania if I were not to say that I advocated the visit to China of the Philadelphia Orchestra and the Pittsburgh Symphony. The distinguished majority leader has his own favorite cultural and athletic suggestions to make and I will not impinge on that; but I believe that the Government is openminded to these exchanges.

We did also raise certain questions, which I cannot go into detail about, but it has been brought to the attention of the highest authorities that it would be hoped those journalists imprisoned somewhere

in Indochina or in China can be released. We spoke to at some length but with some breadth of generality to the proper people.

I referred to Welles Hangen of NBC; Shawn Flynn, a freelance journalist; Dana Stone of CBS; and Terry Reynolds of UPI. It is our understanding that all these matters are under review.

We received no promises but we remain hopeful. We hope that our intercession will have been helpful. Only time will tell.

SUMMARY

We have only begun to plumb the depths of China. We need to know so much more about it—or more simply put—what makes it tick. There is no question of great material progress since the Liberation. But where does China go from here? Can a fluid state of revolution be maintained without disastrous instability in the society. Can the easily evident fervor and dedication be maintained? Is there comparable leadership after Mao? How far do China's claims of nonaggressive aims really extend?

I must add that we were impressed that the Chinese people believe they have enough problems at home, that their interest in territory, up to this time, extends only to their interest in Chinese territory—or Chinese claimed territory established by their own records in the past. So that their record of nonaggression is good.

I repeat, how far does that claim extend?

Let me summarize, if I may, a few judgments and conclusions.

China as a totality adds up to something radically different from our knowledge, experience, and concepts.

China is moving with great deliberation and careful planning in all areas—military, economic, and social. It is drawing on useful aspects of its heritage and obliterating the rest on the way to the New China. Western civilization has disrupted less advanced societies simply by the force and impact of its culture. In the case of China, we have a strong culture determined to go its own way, to assimilate what it wants of the West with the retention of its own identity and direction. China, by its own statement, is a developing nation faced with many decisions and many alternate courses of action.

It is important that we normalize relations to the greatest extent possible. At the same time we must remain alert to the fact that there are basic philosophical differences in our views of man and society. Yet within this context, it is possible for the United States and the People's Republic of China to co-exist peacefully.

I believe the trip by Senator Mansfield and myself adds greatly to our national understanding of China. The impending visit to China of the distinguished leaders of the House—Jerry Ford and Hale Boggs can build more securely upon the good will established by the President, and advanced further, we believe, by our visit. It is my hope that more and frequent contact between our countries will come about including visits by my colleagues in the Senate.

ITINERARY

CITIES

1. Peking (5 days)—April 18 to 23.
2. Shanghai (2 days)—April 24 to 25.
3. Hangchow (2 days)—April 26 to 27.
4. Sian (2 days)—April 28 to 29.
5. Changsha (1½ days)—April 30 to May 1; at Noon on May 1—Depart Changsha for Canton.
6. Canton (1½ days)—May 1 to 3; at 8:30 a.m. on May 3—Depart Canton by rail for Hong Kong.

SCHEDULE—WEDNESDAY, APRIL 19, 1972

For members of party who do not attend discussions:
A. 9:30 a.m.—Visit "Temple of Heaven."
B. 2:30 p.m.—Full party; 1) Imperial Palace; 2) Exhibition of "New Archeological Discoveries".
Dinner for full party:
7:00 p.m.—Reception by Mr. and Mrs. Kuo-Mo-Jo at the "Great Hall of the People".
B. 7:30 p.m.—Dinner.
Discussions—10:00 a.m.
1. Chiao Kuan-Hua—Vice Minister of Foreign Affairs and Vice President of the Chinese People's Institute of Foreign Affairs.
2. Chang Wen Chin—Director of Division, Foreign Ministry.
3. Mr. Chou Chiu-yeh—Secretary General. People's Institute of Foreign Affairs.
4. Mr. Hu Hong-fan—Cultural Member of the "People's Institute."

SCHEDULE—THURSDAY, APRIL 20, 1972

Morning options:
1. Ching Hua University.
2. Petrochemical Factory.
3. A Middle School.
Afternoon: Arts and crafts factory.
Evening: Reception and dinner hosted by Premier Chou En-Lai.

SCHEDULE—FRIDAY, APRIL 21, 1972

All day excursion.
1. The Great Wall.
2. The Ming Tombs.
Evening: White-Haired Girl.

SCHEDULE—SATURDAY, APRIL 22, 1972

Morning: Physical Culture Institute.
Afternoon: Kindergarten, Obstetrics, Carpet Factory, Museums.

SCHEDULE—SUNDAY, APRIL 23, 1972

Morning: Summer Palace.
Afternoon: Open.
Monday, April 24, 1972: 8:00 a.m.—Leave for Shanghai.

PEKING DINNER WITH PREMIER CHOU EN-LAI

Prof. Chou Pei-yuan—Vice President of the Chinese People's Institute of Foreign Affairs, Vice Chairman of the Revolutionary Committee of Peking University.
Mr. Chiao Kuan-hua—Vice President of the Chinese People's Institute of Foreign Affairs, Vice Minister of the Foreign Ministry.
Mr. Hsieh Fu-ming—Member of the Standing Committee of the National People's Congress.
Mr. Chang Wen-chin—Director of Department of American and Western European and Oceanian Affairs of the Foreign Ministry.

Mr. Wang Hsiao-yi—Official in charge of the Foreign Affairs Group of the Peking Municipal Revolutionary Committee.
Miss Wang Hai-yung—Deputy-Director of the Protocol Department of the Foreign Ministry.
Mr. Hu Hung-fan—Council Member of the Chinese People's Institute of Foreign Affairs.
Mrs. Wang Ti-chen—Prof. Chou Pei-yuan's wife.
Mr. Chu Chuan-hsien—Deputy Director of the Protocol Department of the Foreign Ministry.
Mr. Wang Ch'iu-yeh—Director of Cultural Relics Administrative Bureau. State Council ("curator" of the Palace Museum).
Mrs. Cheng Chi-Lung—Council Member of Chinese People's Institute of Foreign Affairs.

PERMANENT PARTY—PEKING, CHINA

Chou Ch-iu-yeh—Secretary-General of the Chinese People's Institute of Foreign Affairs.
Hu Hong-fan—Council member of the Chinese People's Institute of Foreign Affairs.
Tan Hsing-po—Council member of the Chinese People's Institute of Foreign Affairs.
Yu Chien-chun—Staff of the Chinese People's Institute of Foreign Affairs.
Wang Er Hang—Staff of the Chinese People's Institute of Foreign Affairs.
Chiao Shi-wu—Staff of the Chinese People's Institute of Foreign Affairs.
Chao Chi-hua—Staff of the Foreign Ministry of China.
Tzu Chung-yun—Interpreter.
Wu Chien-ta—Interpreter.
Chao Sheng—Interpreter.
Chao Feng-feng—Interpreter.

PRESENT AT THE SHANGHAI AIRPORT, APRIL 24, 1972

Mr. Feng Kuo-Chu—Council member in Shanghai of the Chinese People's Institute of Foreign Affairs.
Mr. Li Fu-hsun—Official in charge of the Foreign Affairs Group of the Shanghai Municipal Revolutionary Committee.
Mrs. Chiu Li—Chairman of the Shanghai Hongkou District Revolutionary Committee.
Mr. Chang Hsiang-tung—Deputy of the Third National People's Congress, Professor of the Institute of Physiology of the Chinese Academy of Sciences, Member of the Academy of Sciences.
Mr. Liu Ta-Jie—Member of the National Committee of the Chinese People's Political Consultative Conference, Professor of the Fu Tan University.
Present at the dinner the same evening in Shanghai :
Mr. Mai Tien-shui—Vice Chairman of the Revolutionary Committee on Shanghai Municipality.

SCHEDULE—SHANGHAI, MONDAY, APRIL 24, 1972

Afternoon : Shanghai Industrial Exhibit. Children's Palace.
Evening : Dinner hosted by Ma Tien-shui.

SCHEDULE—TUESDAY, APRIL 25, 1972

Morning : Malu Commune.
Afternoon : Inspection of Shanghai Harbor by boat on the Huang Po River.
Evening : Acrobatics performance.

PRESENT AT THE HANGCHOW AIRPORT, APRIL 26, 1972

Mr. Chou Feng—Council Member in Hangchow of the Chinese People's Institute of Foreign Affairs, Vice Chairman of Hangchow Municipal Revolutionary Committee.
Mr. Fang Ming—Official in charge of foreign affairs of Chekiang Provincial Revolutionary Committee.
Mr. Yang Chia-chun—Official in charge of cultural affairs of Chekiang Provincial Revolutionary Committee.
Mr. Hsu Yao-tung—Official in charge of foreign affairs of Chekiang Provincial Revolutionary Committee.
Mrs. Cheng Hsiu—Member of Chekiang Revolutionary Committee in charge of women's affairs.

SCHEDULE—WEDNESDAY, APRIL 26, 1972

8:30 a.m.—Leave Shanghai for Hangchow.

Hangchow—Morning: Visit to Wu Hill for a view of the surroundings.

Afternoon: Boatride and walk around West Lake.

Evening: Dinner hosted by Hsien Cheng-hao. Present at dinner in Hangchow, April 26, 1972:

Mr. Hsien Cheng-hao—Vice Chairman of Chekiang Provincial Revolutionary Committee.

Mr. Chou Feng—Council Member in Hangchow of the Chinese People's Institute of Foreign Affairs, Vice Chairman of Hangchow Municipal Revolutionary Committee.

Mr. Fang Ming—Official in charge of foreign affairs of Chekiang Provincial Revolutionary Committee.

Mr. Ni Yen-chiang—Official in charge of foreign affairs of Chekiang Provincial Revolutionary Committee.

Mr. Hsu Yao-tung—Official in charge of foreign affairs of Chekiang Provincial Revolutionary Committee.

Mr. Yang Chia-chun—Official in charge of cultural affairs of Chekiang Provincial Revolutionary Committee.

Mrs. Cheng Hsiu—Member of Chekiang Revolutionary Committee in charge of women's affairs.

Mr. Fang Yi-fei—Official in charge of foreign affairs of Hangchow Municipal Revolutionary Committee.

Mr. Lu Ho-sen—Staff member of foreign affairs section of Chekiang Provincial Revolutionary Committee.

Mrs. Shin Chih-ying—Staff member of foreign affairs section of Chekiang Provincial Revolutionary Committee.

Mrs. Chao Yun-hsia—Staff member of foreign affairs section of Chekiang Provincial Revolutionary Committee.

SCHEDULE—THURSDAY, APRIL 27, 1972

Morning: Shopping—Silk factory, and arts and crafts exhibits.

Afternoon: Tea factory. Pagoda of the Six Harmonies.

SCHEDULE—FRIDAY, APRIL 28, 1972: 8:30 A.M.—LEAVE FOR SIAN

Sian—Afternoon: Bell Tower. Shensi Provincial Museum.

Evening: Dinner hosted by Hu Wei. Music and dance performance.

Sian—Li Kuang-jen—Vice Chairman of the Municipal Revolutionary Committee of Sian.

Mr. Kuo Fung-ning—Council Member. People's Institute of Foreign Affairs, Shensi Province.

Hu Wei (host-dinner)—Vice Chairman of the Revolutionary Committee of Shensi Province.

SCHEDULE—SATURDAY, APRIL 29, 1972

Morning: Panpo neolithic village. Hua Ching Gong Palace and Hot Springs.

Afternoon: Arts and Crafts Factory.

SCHEDULE—SUNDAY, APRIL 30, 1972: 8:30 A.M.—LEAVE FOR CHANGSHA

Changsha—Afternoon: Number One Normal School attended by Mao and at which he once taught.

Clear Water Pond—Mao's home while in Changsha.

Evening: Dinner hosted by Li Chen-jun.

Changsha—Mr. Shang Tze-ching—Council Member, Chinese People's Institute of Foreign Affairs.

Mrs. Su Ming—Vice Chairman of Chang-sha Municipal Revolutionary Committee.

Mr. Li Chen-jun (host-dinner)—Vice Chairman of Human Provincial Revolutionary Committee.

SCHEDULE—MONDAY, MAY 1, 1972

Morning: Yu Lou Hill. Embroidery Factory.

11:30—Leave for Canton.

Canton—Afternoon: Canton Trade Fair.

Evening: Dinner hosted by Wang Shou-dao.

Canton—Present at the Canton dinner, May 1, 1972:

Mr. Wang Shou-tao—Vice Chairman of Kwangtung Provincial Revolutionary Committee.

SCHEDULE—TUESDAY, MAY 2, 1972

Morning: School for Deaf and Mute.
Afternoon: Shih Wan porcelain factory.
Evening: Farewell dinner hosted by the American group.

SCHEDULE—WEDNESDAY, MAY 3, 1972

8:20 a.m.—Leave by train for Hong Kong.

Mr. Shao Yen-sheng—Council Member in Kwangchow of the Chinese People's Institute of Foreign Affairs.

Mr. Yang Ke-chung—Responsible person in charge of foreign affairs of Kwangtung Provincial Revolutionary Committee.

Mr. Shang Eng-chuo—Deputy to the National People's Congress, Professor.

Madame Teng Chian—Responsible person of the Administration Office of the Kwang-chow Municipal Revolutionary Committee.

THE PARK OF THE TEMPLE OF HEAVEN

The Temple of Heaven used to be where the emperors of Ming and Ching dynasties worshipped heaven and prayed for good harvests. It was constructed in 1420 and covers an area of 273 hectares. The Temple has an inner and an outer surrounding wall. The main structures are all situated in the inner enclosure. To the south is the Huan Chiu Tan (Circular Mound Altar) and to the north, Chi Ku Tan (Altar of Prayer for Good Harvests). The two altars are 360 metres apart and are connected by a wide paved way, the Tan Pi Chiao (Red Stairway Bridge). They together form a perfect complex of structures. The main buildings are Chi Nien Tien (Hall of Prayer for Good Harvests), Huan Yu (Circular Mound) and Huang Chiung Yu (Imperial Heavenly Vault).

The Hall of Prayer for Good Harvests is a round hall with triple eaves and a gilded ball on the top. It was constructed in 1420, rebuilt in 1890 and repaired again in 1971. It is 38 metres high and 30 metres in diameter. It is a structure of bricks and wood, but without big beams or long cross-beams.

The Imperial Heavenly Vault was constructed in 1530, and the famous "Echo Wall" and the "Triple Echo Stones" are here.

The Circular Mound was erected in 1530. It is a triple-tiered terrace with white marble balustrades and was the altar on which the emperors used to worship heaven and pray for rain at the winter solstice.

After the liberation of Peking, great efforts have been made to repair the Temple of Heaven. Trees have been planted, orchards expanded and cultural pavilions opened. Now it is one of the biggest parks in Peking.

THE GREAT WALL AT THE PATALING HILLS

The Great Wall is one of the grand works of architecture of ancient China.

In the 5th century B.C. in the Warring States Period some dukedoms and earldoms (feudal fiefs) built defensive walls on their own fiefs in order to ward off the attacks of neighbouring lords or Hsiung Nu (Huns). After the Chin dynasty (3rd century B.C.) unified China, these walls were linked up and expanded on a large scale, and later on extensions and consolidation work were made by successive dynasties, thus the present Great Wall came into being.

The Pataling Hills formed an outpost where the strategic Chuyungkuan Pass Gate was built in the Wan Li Chang Cheng (Ten Thousand Li Long Wall). From here the continuous Wall stretches to Shanhaikuan in the east and Chiayukuan in the west, a total length of 6,000 kilometres passing through 5 provinces and 2 autonomous regions in northern China. The average height of the Wall is 7.5 metres, its width 5.4 metres. There is a two storied tower every few thousand metres.

After liberation, the People's Government repaired the section of the Wall at the Pataling Hills and restored to its original magnificence.

TING LING MUSEUM

Shihsan Ling (Ming Tombs) are situated about 50 kilometres to the northwest of Peking. They are the tombs of 13 emperors of the Ming Dynasty (1368–1644). Ting Ling (Ting Tomb) is the tenth and the tomb of Emperor Chu Yi-chun (1573–1620) and his two Empresses. The Underground Palace of Ting Ling was excavated after liberation in 1956 and 1957. It was the first underground construction to be excavated among the 13 tombs.

The main features of the Tombs are: the Ling En Hall, the Ming Tower, the Precious Wall and the Underground Palace, which is situated within the Precious

Wall behind the Ming Tower. The Underground Palace covers a total space of 1,195 square metres and consists of five chambers, front, back, central, left and right, all of stone work without beams or pillars. The doors of the front, central and back chambers are made of marble with carved designs. The vault of the front and central chambers is 7.2 metres hi and that of the left and right annex chambers 7.1 metres. In the middle chamber are emplaced three marble altars and three Dragon Urns used as Eternal Light Lamps. The back chamber is 9.5 metres high and housed the caskets.

The more than 2,000 burial articles found in the Ting Ling Underground Palace include gold, silver and jade articles, pieces of porcelain and lacquer ware, silk fabrics and clothing. They are displayed in two exhibition rooms.

The Palace Museum

The Museum used to be the imperial palace in the Ming and Ching dynasties, which was commonly known as the Forbidden City. It was first constructed from 1406 to 1420 (the 4th to the 18th reign year of Yung Lo of the Ming dynasty), and alterations and reconstructions were carried out later on several occasions. The Palace now has a history of more than 500 years.

The Museum covers a total area of 720,000 square metres and has buildings comprising more than 9,000 room-units, which have a floor space of about 150,000 square metres. It is surrounded by wall over 10 metres high and a moat 52 metres wide. It is the biggest and best-preserved of ancient buildings now in China as well as a concentrated embodiment of the fine tradition and unique style of China's national architecture.

The Imperial Palace mainly consists of two parts: the front part, where the emperors of the Ming and Ching dynasties held major ceremonies, and the rear part where they dealt with state affairs and their empresses and imperial concubines lived and entertained themselves.

During the Ming and Ching dynasties the Palace was the centre of their political rule.

The Peking Physical Culture Institute

The Peking Physical Culture Institute was founded in 1953, with the main task of training a backbone of physical culture workers.

The Institute occupies an area of 600,000 square metres (60 hectares) with a total building space of 64,000 square metres. It is divided into three areas, one for teaching and training, another the living quarters of the students and still another those of the teachers and staff members. The indoor facilities include three gymnasiums, two halls for table tennis, two for other ball games, one for field and track events, one for swimming, and one for weight-lifting. Outdoor athletic grounds number more than 60, including athletic fields, football courts, basketball courts, swimming pool and a militia shooting range.

It has now an office and teaching staff of over 560 and an enrollment of over 500.

The curriculum includes field and track training, football, basketball, volleyball, table tennis, badminton, swimming, gymnastics and Chinese shadow boxing. In addition, the Institute now runs short-term training classes on a trial basis to help train physical culture activists from factories, mines, people's communes and army units.

Shanghai Children's Palace

The Shanghai Children's Palace is a centre for the children under the age of sixteen to carry out their extra-curricular activities. The palace often organizes the children to exchange their experience in the study of Chairman Mao's works, gives lectures on the situation both at home and abroad, invites veteran revolutionaries and model workers, peasants and soldiers to give reports on class education and education in revolutionary traditions, and arranges for the children to visit factories, people's communes, docks and places of revolutionary significance for the purpose of receiving education and making social investigations. It also guides the children in learning industrial and agricultural production and medical science, in carrying out various scientific and technical activities, such as doing astronomical observations, assembling radio-sets and making airplane and ship models as well as in joining literary and art and physical activities which include: learning to sing model revolutionary operas, dancing, music, painting, embroidery, Chinese traditional boxing, gymnastics and table tennis.

Through these activities the palace, in close co-ordination with the school, the family and society at large, educates the children in carrying on the revolutionary traditions and in serving the Chinese people and the world people whole-heartedly.

By guiding the children in participation in the three great revolutionary movements of class struggle, the struggle for production and scientific experiment, the palace enables the children to develop morally, intellectually and physically and become workers with both socialist consciousness and culture.

About 2,000 children take part in various activities in the palace every day. These activities are carried out chiefly under the guidance of workers, peasants and soldiers in addition to some full-time instructors.

Shanghai Industrial Exhibition

The Shanghai Industrial Exhibition is a center where new products of Shanghai industry are displayed and new techniques exchanged. It consists of one multi-category exhibition hall and seven other halls with exhibits of the following categories—machine-building and electric machinery, metallurgy, chemical industry, meters and instruments and tele-communications equipment, light industry, textiles and handicrafts. Displayed at the exhibition are over 5,000 items occupying a total floor space of more than 10,000 square metres.

The exhibits (some of them are models) are the fruits gained by the working class of Shanghai who have acted on Chairman Mao Tse-tung's teachings and displayed the revolutionary spirit of independence, initiative and self-reliance.

Following are the major ones:

300,000 kw. turbo-generator with inner water-cooled stator and rotor, digital process control machine tools equipped with electronic devices, 12,000-ton hydraulic free-forging press, big high precision thread grinding machine, laser automatic dynamic balance machine and 32-ton dump truck used for mines—all designed and manufactured by the Shanghai machine-building and electric machinery workers;

Semi-conductor materials, low-alloy steels, cold-drawn irregular-shaped steel tubes, high-temperature precision alloys and big vacuum refining furnace successfully produced by the Shanghai metallurgical workers with indigenous and modern methods;

Ocean-going ships built by the aspiring Shanghai ship-building workers, among which the 10,000-ton freighter *Feng Guang* and some other vessels were made on a small shipway previously used to build ships with a maximum of 3,000 tons only;

Electronic computer, video tape recorder, double focusing solid analysed mass spectrograph with the detection limits for impurity elements being as low as several parts per billion and various electronic elements of new types recently manufactured by the Shanghai workers in the meters and instruments and telecommunications industry;

New achievements in multi-purpose use of waste water, gas and residue, engineering plastics, effective traditional Chinese medicinal herbs, antibiotics and stimulant "920" for agriculture made by the Shanghai workers in the chemical industry;

Wrist watches, cameras, sewing machines, bicycles and all sorts of cotton silk and woollen fabrics produced by the Shanghai workers in the light and textile industries;

Carvings in ivory and jade stones and woolen needle-point tapestry elaborately worked out in a Chinese national style by the Shanghai handicraftsmen.

The exhibition also gives a picture of the new achievements in the making of synthetic insulin, application of acupuncture anesthesia, replantation of several limbs and treatment of extensive burns.

New additions and replacements of exhibits are made from time to time. Most of the articles here have been designed and produced since the beginning of the Great Proletarian Cultural Revolution.

Exhibition of Historical Relics Unearthed During the Great Cultural Revolution

During the Great Proletarian Cultural Revolution, Chinese archaeological workers have unearthed a large number of historical relics with the support and participation of workers, peasants and soldiers. On exhibition here are about 1,700 pieces of historical relics selected from those excavated in nine provinces, one city and one autonomous region.

This group of historical relics ranges from tools of production, household utensils and works of art of the primitive society of 4,000 years ago to precious funerary objects from tombs of the imperial families of the Ming dynasty of 500 years ago. Among these the most outstanding are:

Two suits of "garments made of jade pieces threaded with fine gold wire" worn by Liu Sheng, the Prince of Chungshan, and his wife of the Western Han dynasty (2nd century B.C.);

A whole procession of bronze carts and horses of the Eastern Han dynasty (2nd century);

Gold, silver and jade articles of the Tang dynasty (8th century);

Silk fabrics, manuscripts and books, and various articles of daily use and foodstuffs of the 5th–8th centuries, unearthed along the "Silk Road", the main line of communication between China and the West in those times;

Paintings of the Sung dynasty (12th century), woodblock-printed books of the Yuan dynasty (13th century) and articles of daily use of the Prince of Lu, Ming dynasty (14th century), discovered in his tomb.

The Sian Art Handicrafts Workshop was set up in 1964. There are now more than 200 workers and staff members. The chief products are inlaid lacquer ware and ivory and shell carvings. These products present the traditional designs of flowers, birds and scenery as well as designs with a new socialist content. With the Great Proletarian Cultural Revolution, we have further carried out the revolutionary line and policy for literature and art: "*Literature and art should serve the workers, peasants and soldiers*" and "*Let a hundred flowers blossom; weed through the old to bring forth the new*", and new products have greatly increased depicting Chairman Mao's revolutionary practice, presenting heroic images of workers, peasants and soldiers and reflecting socialist revolution and socialist construction. The newly created products, such as "Chairman Mao arrives in Yenan", "Long live the Yenan Spirit" and "The White-Haired Girl", are greatly appreciated by the broad masses of the people. At the same time, we have continued to create products with flowers, birds, scenery and ancient figures as their themes.

The Shensi Provincial Museum

The Shensi Provincial Museum is a historical museum mainly for the study and display of antiquities.

There is a wealth of antiquities above and under ground in the Shensi area as eleven of China's feudal dynasties located their capitals here. But before liberation, many of the relics were damaged or looted by landlords, compraders, warlords and imperialists. Since liberation, this museum has excavated and collected large numbers of precious antiquities in coordination with the progress of capital construction projects.

Two sections of the museum are now open to the public, "the forest of tablets" and "the stone carvings room".

"The forest of tablets", founded in 1090, is the oldest and richest collection of stone tablets in China. On display are more than 1000 tablets, most of them propagating feudal culture. Some of the tablets reflect the acute class struggle in ancient Chinese society, and some provide precious data for the study of Chinese history and the history of cultural interflow between China and foreign countries. They are also a treasure house of Chinese caligraphy.

Exhibited in the stone carvings room are more than 70 pieces of sculpture ranging from 2nd century B.C. to 8th century A.D. They form the richest indoor collection of ancient sculpture in China, which is an integral part of the magnificent ancient Chinese culture.

The Tayen Pagoda

The Tayen (Big Wild Goose) Pagoda was built in 652 A.D. in Tang dynasty and has a history of over 1,300 years. A fine example of the architectural art of the working people of ancient China, it is 64 metres high and has seven stories.

Before liberation, the staircase and floor boarding in the pagoda were broken and became rotten. The base of the pagoda tipped and its surroundings were badly neglected. What is more, Kuomintang reactionary troops once made it their barracks and dug trenches around it, giving it serious damage.

After liberation, the People's Government had repairs made in 1954 and trees planted, so that the pagoda's original magnificent look is now regained and preserved, and it has become a holiday resort of the working people.

The Bell Tower

The Bell Tower was originally constructed in 1384 A.D. (17th reign year of Hungwu of Ming Dynasty) at the crossing of the Hsita Chieh and the Kuangchi Chieh streets, opposite to the Drum Tower. It was rebuilt at the present site in 1582 (10th reign year of Wanli of Ming Dynasty), and renovated in

1739 (5th reign year of Chienlung of Ching Dynasty). It has a history of nearly 600 years. In old times, a big bell hung in the tower for the announcement of time, hence the name.

The tower is 36 metres high. Its base is 8.6 metres in height, covering an area of 1,377.64 square metres. The tower body is built of brick and wood. It is beautifully shaped, with a superimposed ribbed roof and terraced eaves, each with supporting structure. It is one of the magnificent old structures of national style in Sian, which fully shows the infinite talents of the working people of old times and the characteristic style of Ming architecture.

During the Kuomintang reactionary rule, the tower became badly out of repair, being used as barracks and repeatedly damaged. At one time, it was even made a prison for the detention of progressives and revolutionary youth. Since liberation, under the leadership of the Party and Government, this ancient building has been repaired, with its base consolidated, its staircase and most of the pillars and beams reinforced or replaced, and its outside repainted and gilded, thus recovering its original look.

Huaching Hot Spring

Huaching Hot Spring is situated at the foot of Lishan Hill, 25 kilometres east to the city of Sian. It has been a famous scenic spot since ancient times.

Lishan Hill is an extension of the Chinling Mts, 1, 1,250 metres above sea level. It is overgrown with pines and cypresses and looks like a black horse, hence its name ("Li" in Chinese is the name of a black horse). According to historical records, the hot spring at the foot of the Hill was discovered more than 2,800 years ago. There are now four spring holes with a total flowing volume of 112.5 tons an hour. The water is 43 C in temperature and contains 9 minerals including lime, sodium sulfate, manganese carbonate and sodium carbonate. It is good for bathing as well as for curing arthritis and skin diseases.

For thousands of years, the Huaching Hot Spring as a resort of feudal emperors. During the dark days of Chiang Kai-shek's rule, there were only a few incomplete constructions here, which were owned by bureaucrat-capitalists, while the labouring people could never dream of coming here. After liberation, in order to meet the needs of the broad masses of the people, the people's government undertook repeated repairs and reconstruction, digging new springs, building new houses, expanding the baths and planting trees. The spa covers an area of 62,193 square metres and has the capacity of more than 350 people bathing at the same time. It has become a holiday resort and sanatorium for the masses of workers, peasants and soldiers.

The well-known Sian Incident in the modern Chinese revolutionary history also took place here.

The Panpo Museum

The Panpo Museum is situated to the north of Papo Village on the east bank of the Chan River in the eastern suburb of the city of Sian.

Here is the site of the remains of a fairly complete matriarchal clan commune village of more than 6,000 years ago, typical of those in the Yellow River region. The remains cover an area of 50,000 square meters, and comprise an area of living quarters, a pottery-making centre and a graveyard. They were discovered in the spring of 1953, and after five scientific excavations a total area of 10,000 square meters has been cleared up, uncovering rich scientific data. The Museum, first of its kind in our country, was established on the site of the ruins in 1958.

The implements used by the Panpo men were mainly made of stone or bone, such as stone axe, chopper, arrowhead, fishing net weight, spinning wheel, and bone needle, fish hook harpoon head. The Panpo men engaged mainly in agriculture, but also in other productive activities: hunting, fishing, animal husbandry and pottery-making.

During their long practice of production and social life, the Panpo men carried out the artistic activities of painting, sculpture and making ornaments. Their painted pottery drew its themes from objects of their labour and from nature. They invented the pottery steam cooker, they eyed stone axe and the barbed fish hook and harpoon head. They also mastered the principle of centre of gravity in making the sharp-bottomed jug.

In the hall is kept part of the remains of the primitive village, about 3,000 square metres in area. There were two types of dwellings, the half-sunk basement and the above-ground wooden house, round or square in shape. All the doors faced south, and in the middle of the dwelling was a pit for fire. The chief build-

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ing materials were turf and woods. Beside the houses were a number of cellars for storage. Round the living quarters there was a ditch 5–6 metres wide and deep for the protection of the village.

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